



# **Influence of the New Member States on the Agricultural Sector – Case of Poland**

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# Outline of Presentation

- Particularity of farm sector in Poland
- Fears before accession
  - In EU
  - In Poland
- Main issues in the accession negotiations
- Preparation for accession
- Experience from first 6 months after accession

# **Polish agriculture is unique in Europe**

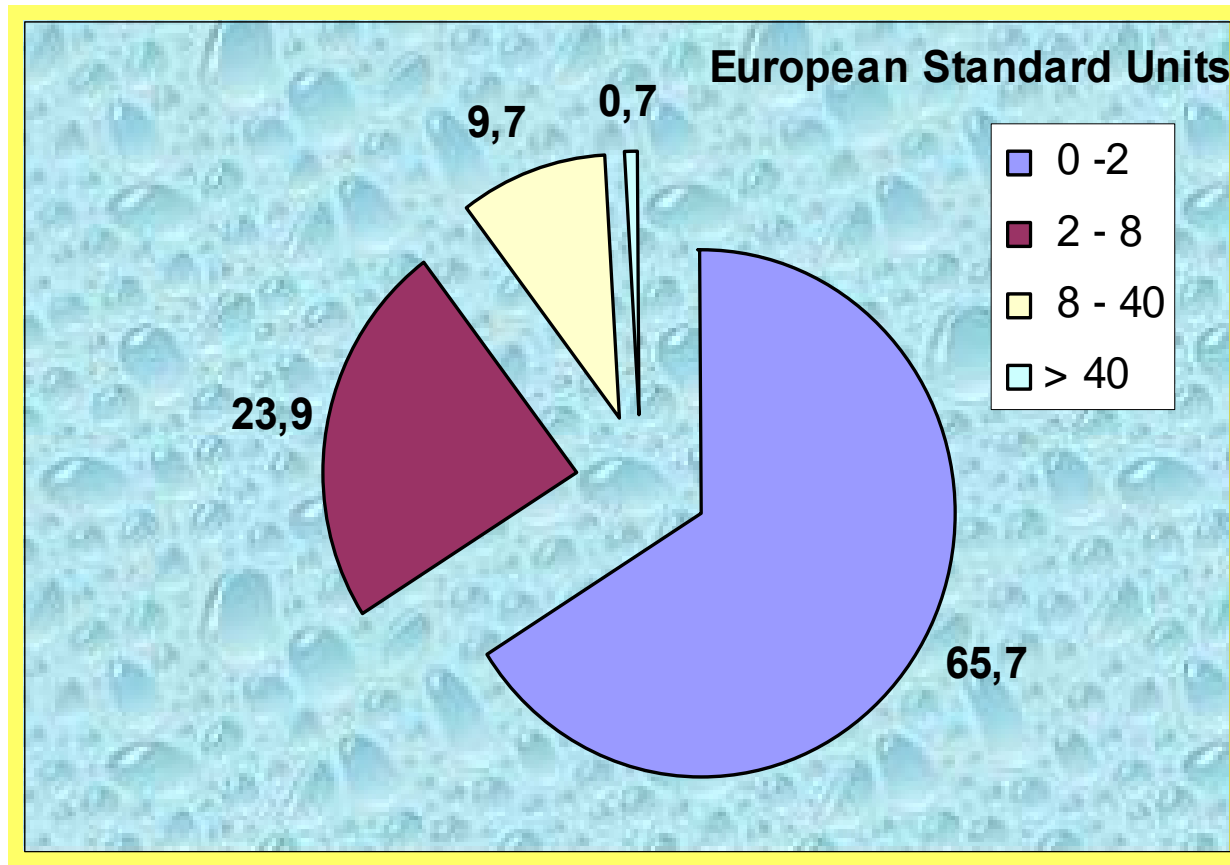
- **has not undergone mechanization and the massive use of chemical fertilizers and pesticides**
- **symbiosis with nature**
- **uses less chemical fertilizer and pesticides**
- **production methods are extremely labour intensive.**



## **Weakness of Poland's agriculture**

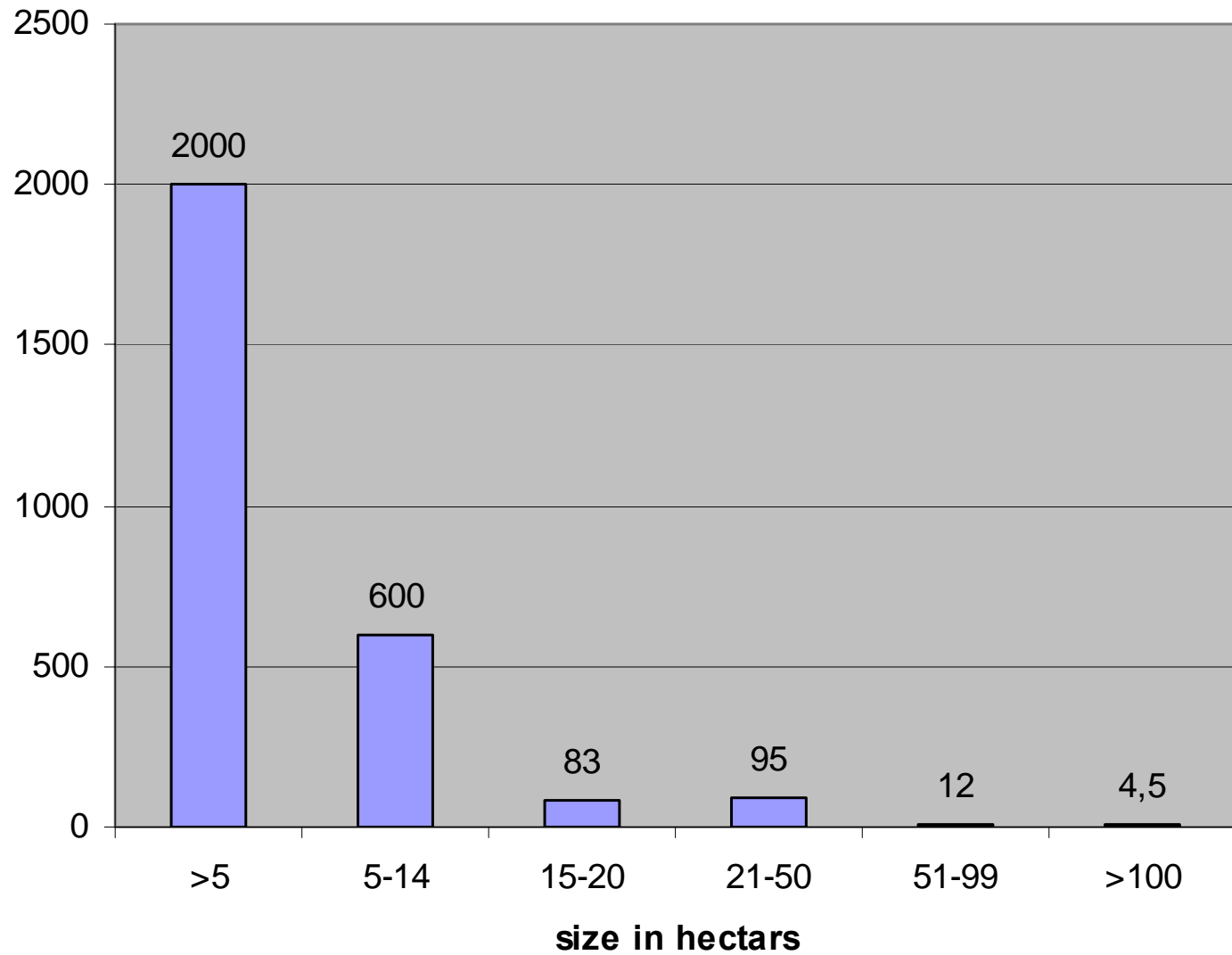
- 54 percent of Poland's 1,8 million farms are under 5 hectares**
- Poland's conservative peasants resisted to the Communist push towards collectivized agriculture**
- Only half of Poland's farms sell food they have produced**
- The greatest barrier Polish farms face is the low quality of the infrastructure**

# Farms are small

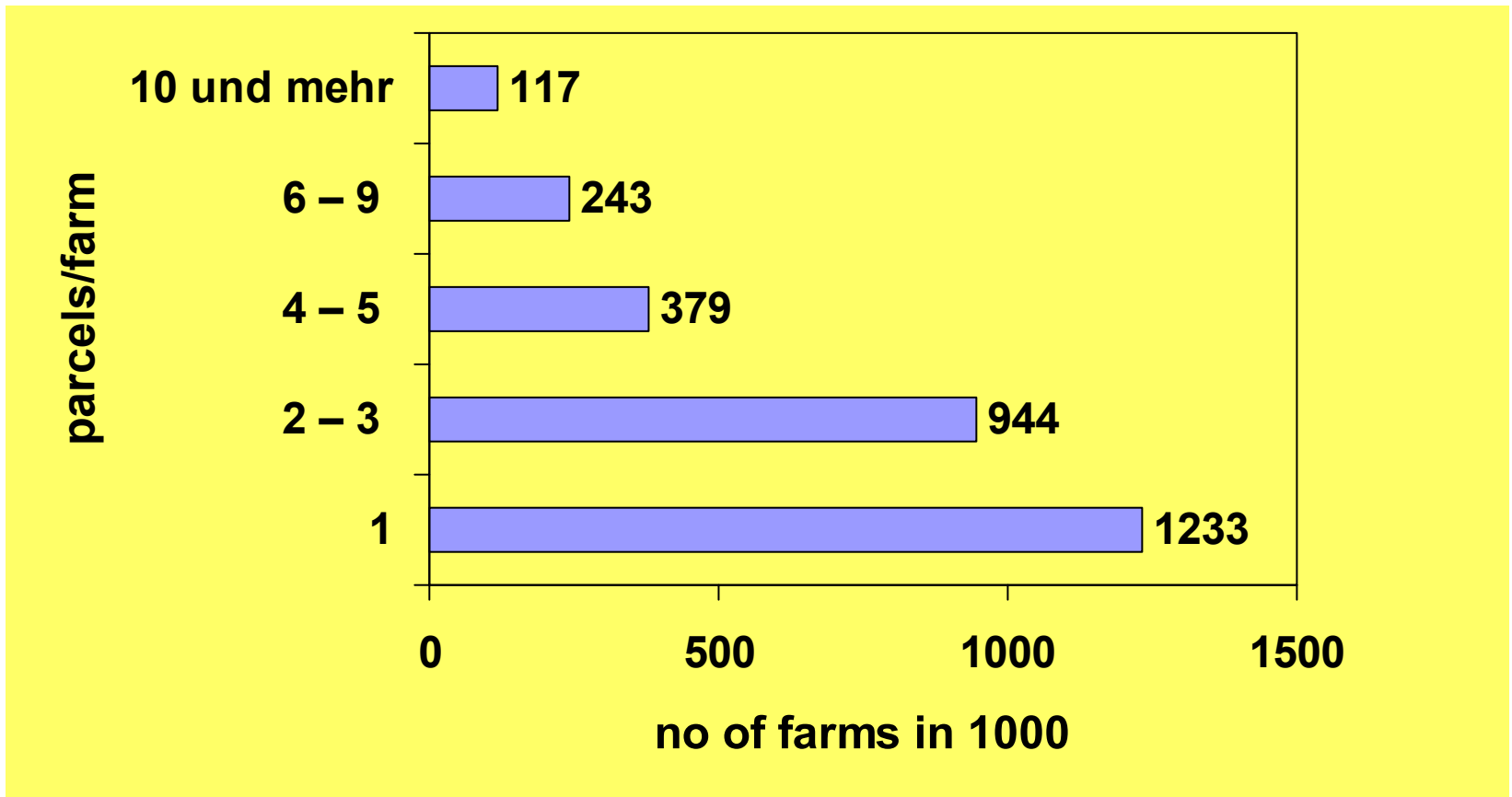


Share in the total number of farms %

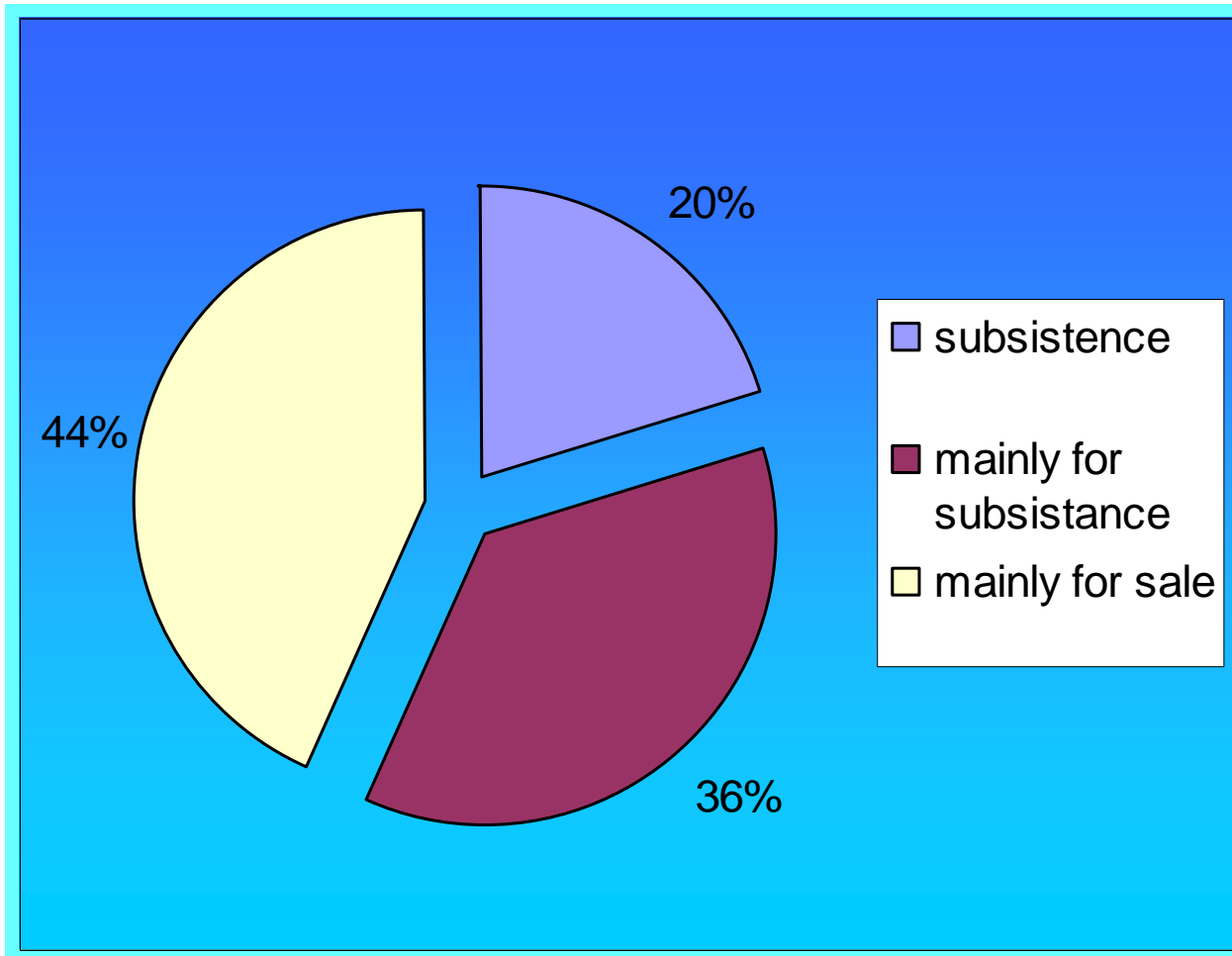
## No of farms in 1000



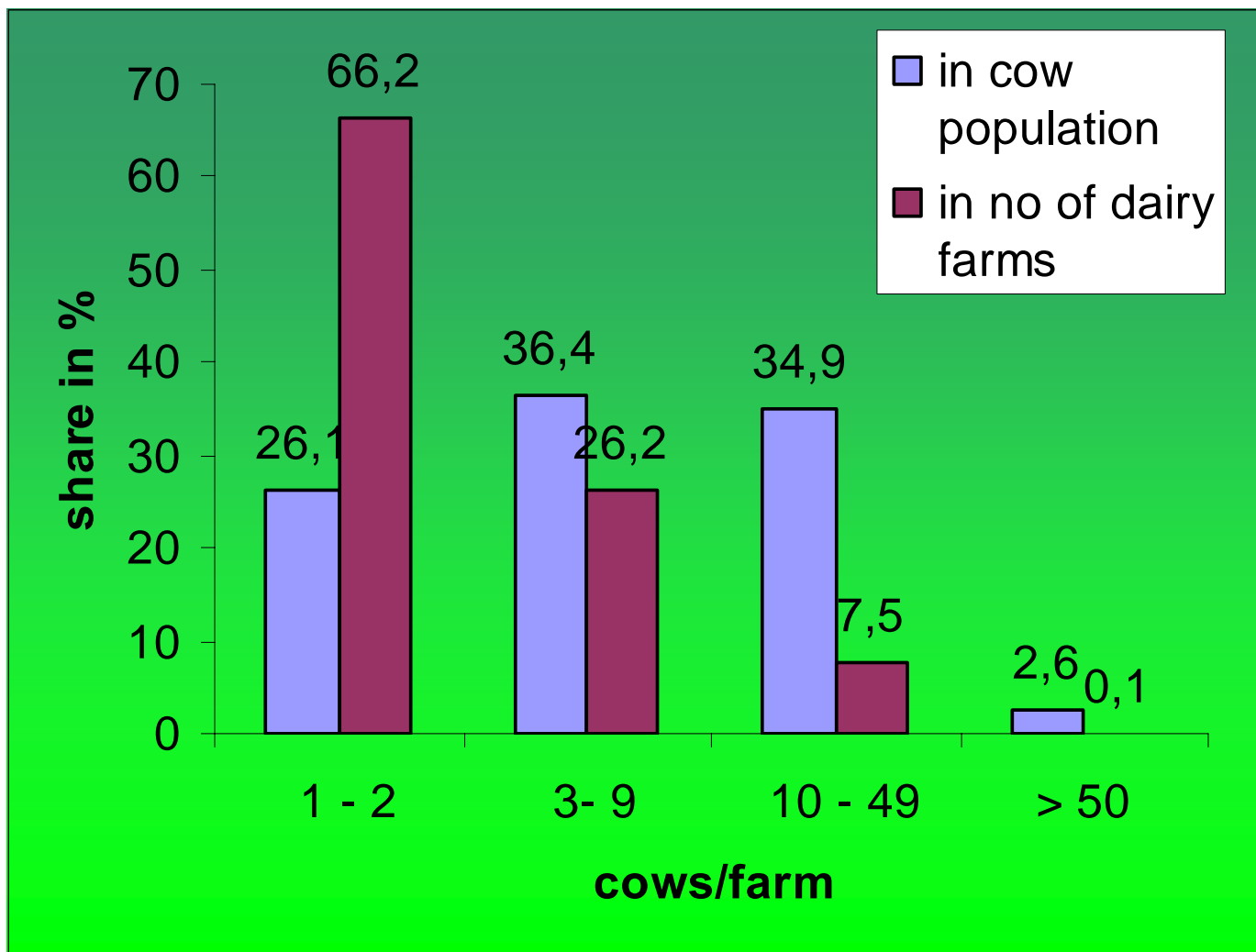
# Farms with diff. no of parcels



# Linkage with market



# Concentration in dairy farms



# **Need to revalue assessments of the Polish agriculture**

- **low level of specialisation**
- **low scale of production**
- **farms - not voluntary – maintained multifunctional in nature**
- **the features of a Polish farm, originally perceived as primitive and provincial, are gaining appreciation in the EU as a model which may be accepted by the society**



# **Accession negotiations decided on the future of Polish farmers**

- ↪ Direct payments - controversial issue**
- ↪ level of quota - important for development prospects of Polish farms**
- ↪ limited transitional arrangements**



# **EU accession - challenge for agriculture**

**fears on EU side from accession of Polish  
agriculture**

**market balance**

**additional budgetary transfers**



# Preparation for accession

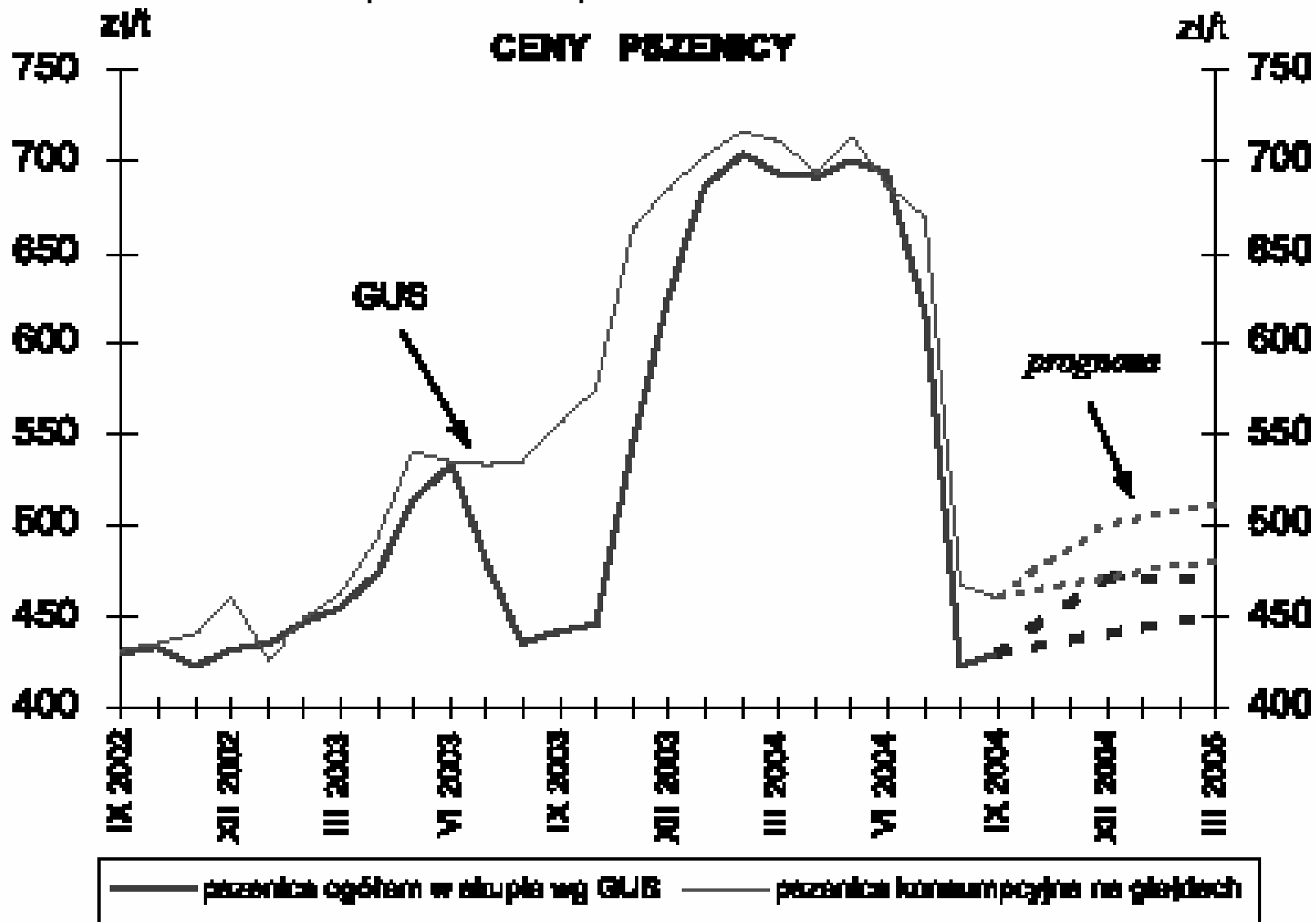
- Translation and implementation of *acquis communautaires*
- Harmonisation with EU standards
- SAPARD



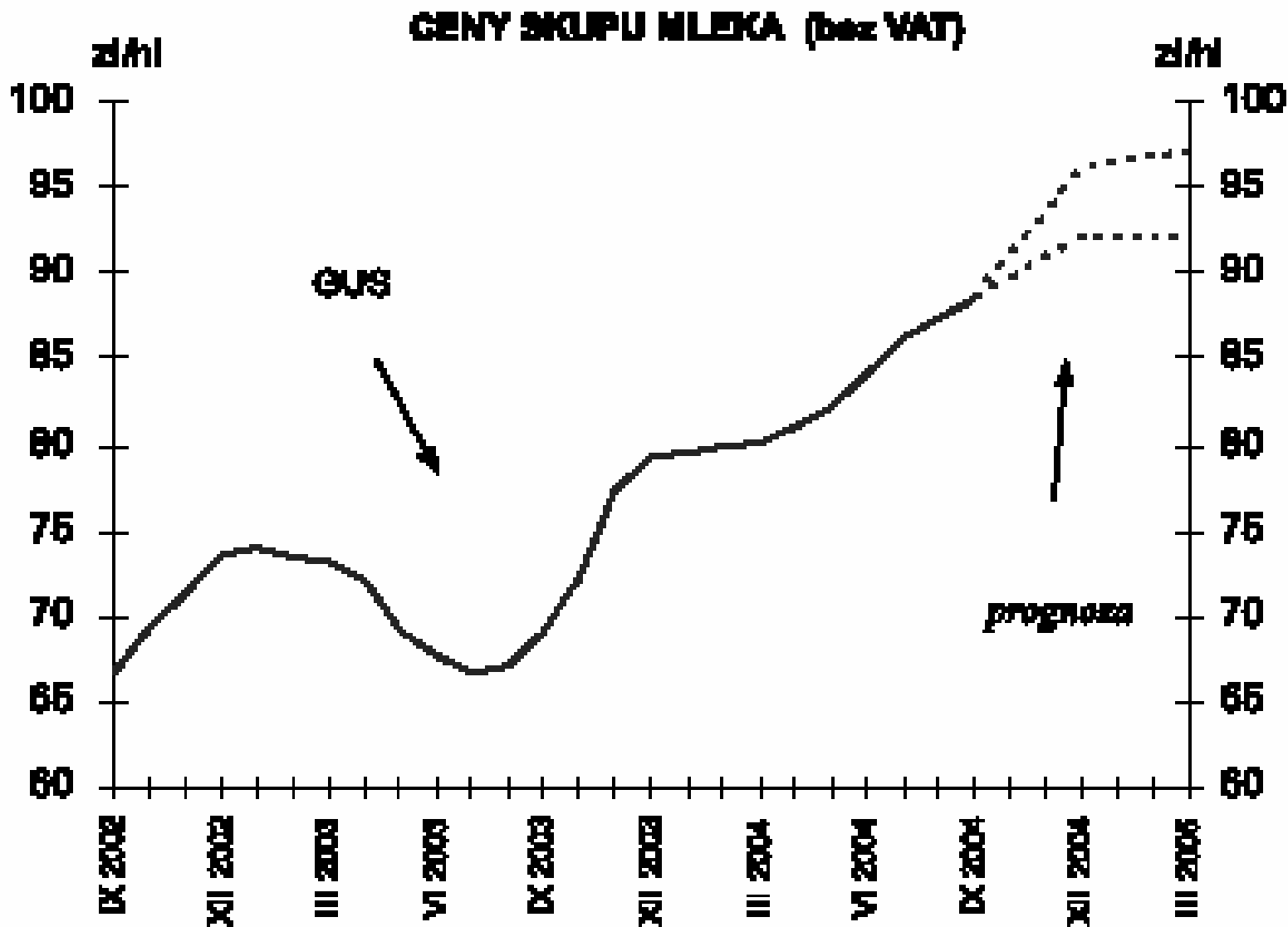
# **Experience from first 6 months after accession**

- Higher prices for majority of farm products
- Some inputs more expensive
- Expansion of agri-food exports
- Increase in investment in agri-food sector

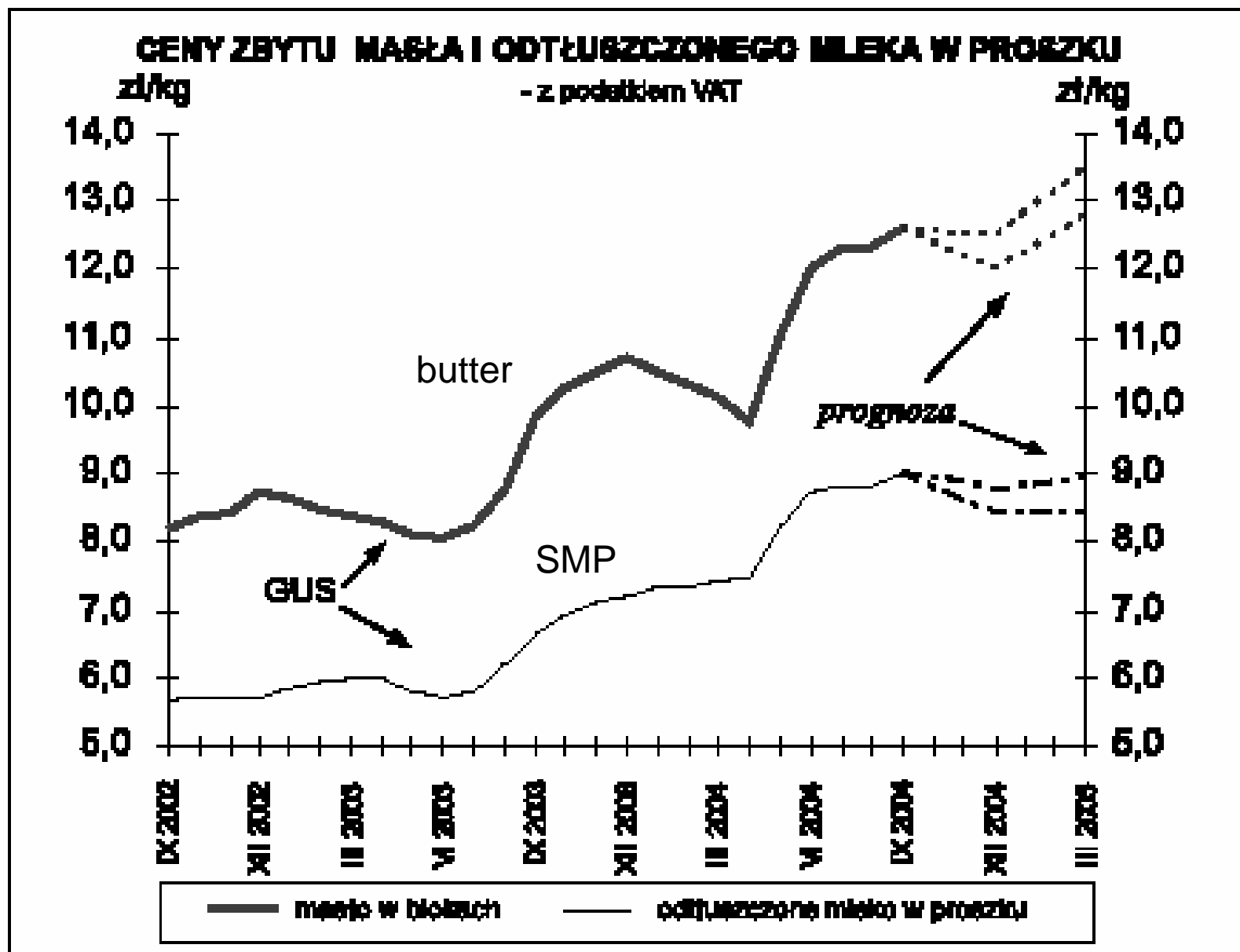
# Wheat price development in Poland



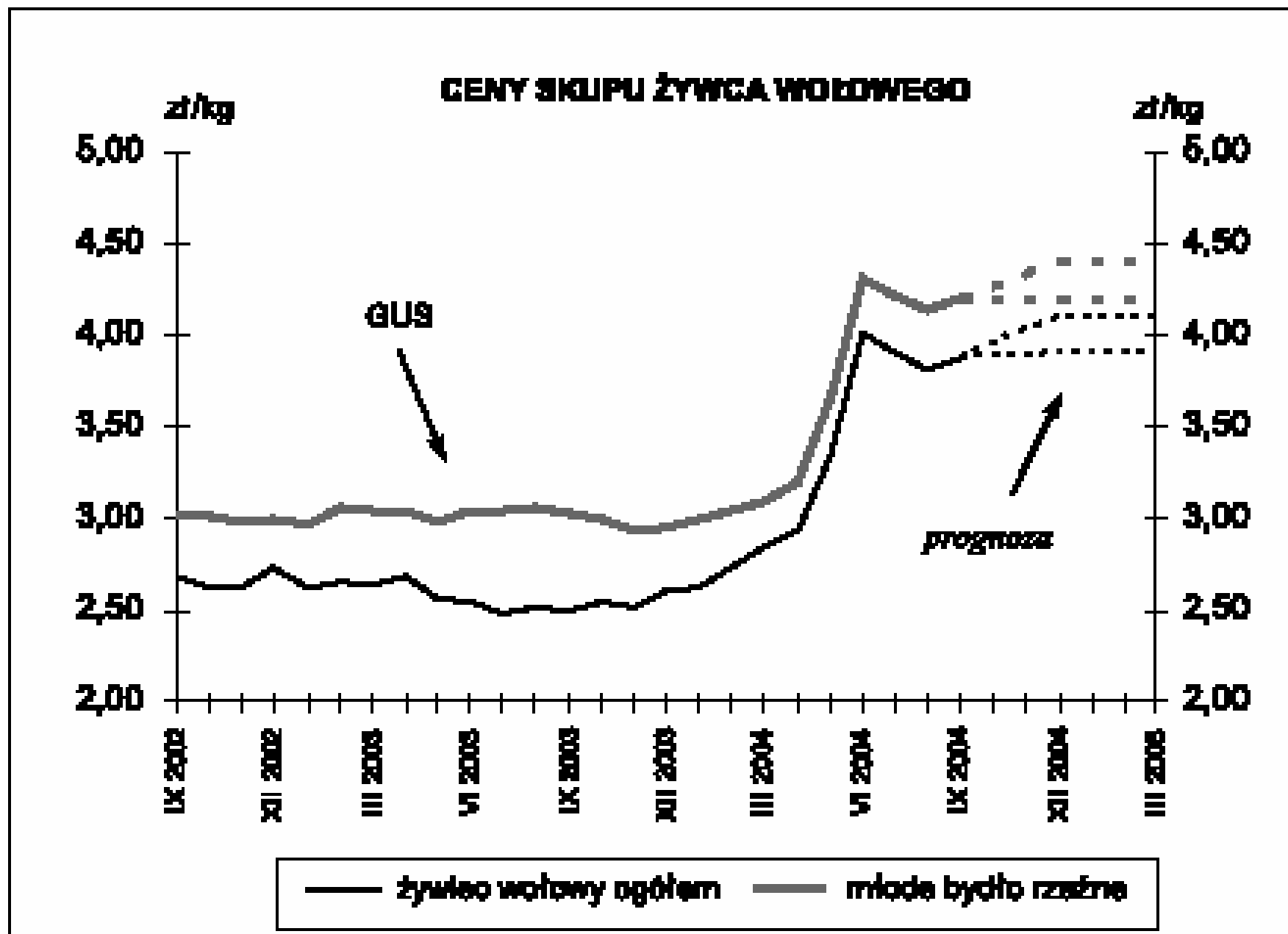
# Milk price development in Poland



## Butter and SMP prices in Poland

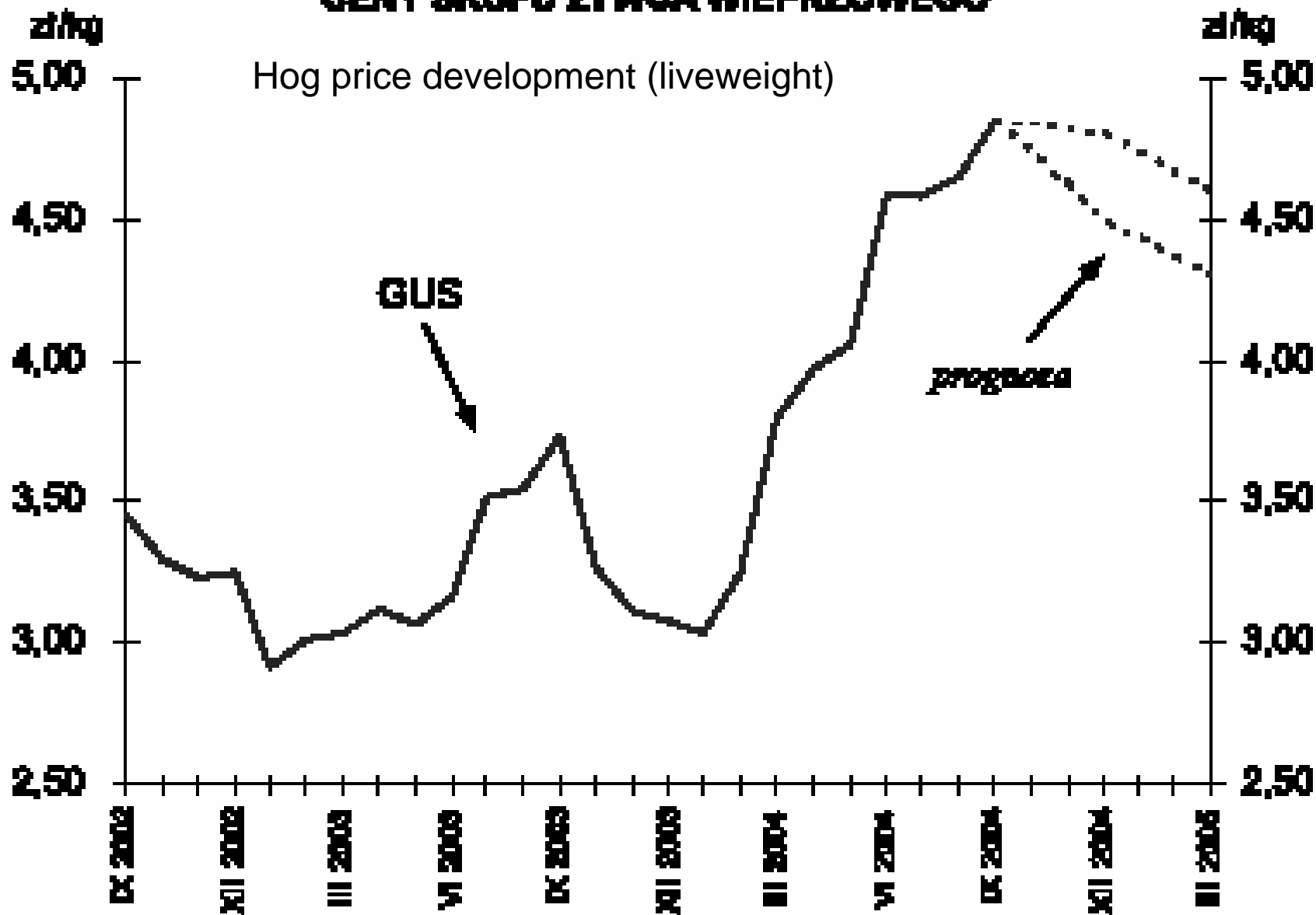


# Beef cattle price (liveweight)

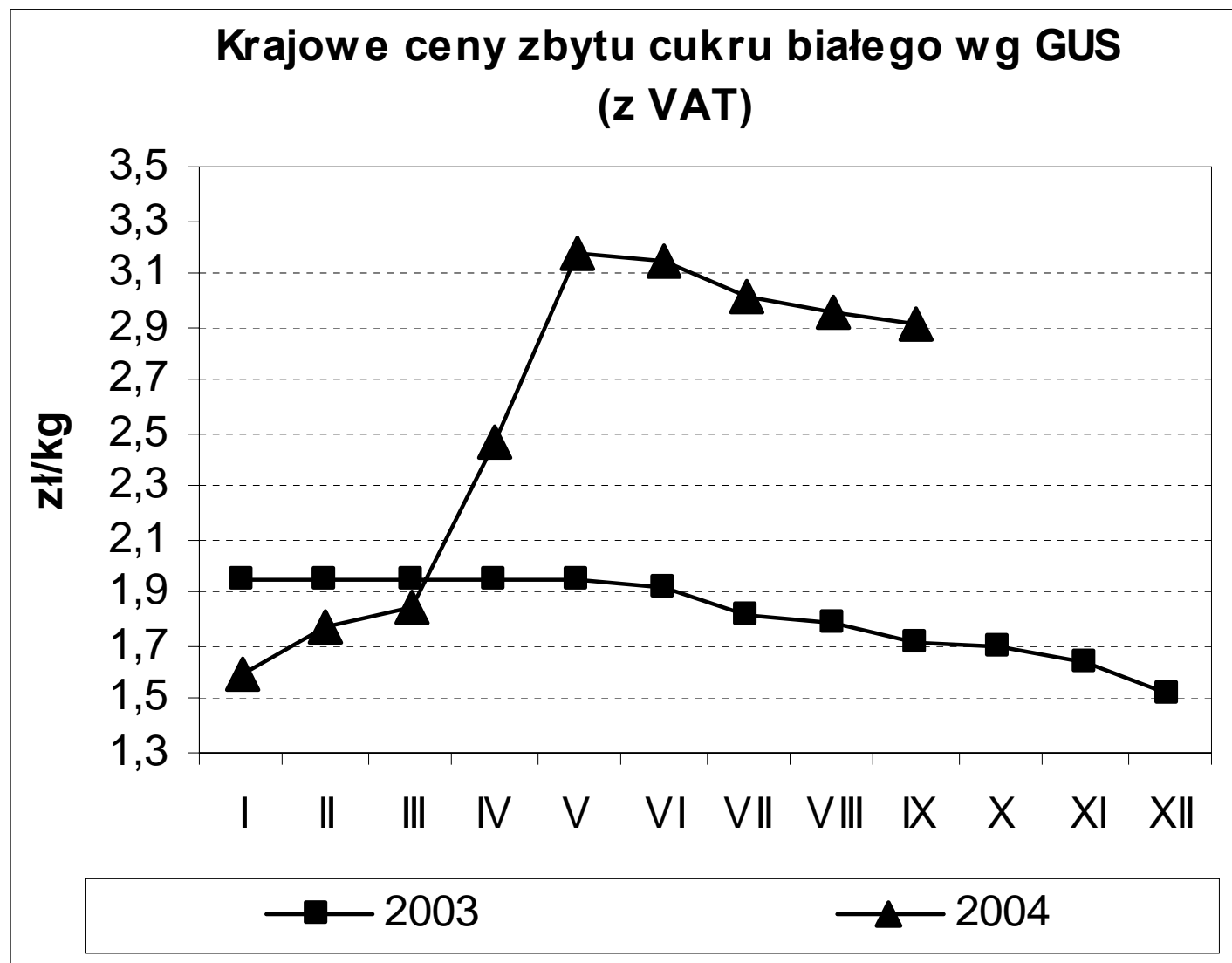


# GENTY SKUPU ŻYWA WIEPRZOWEGO

Hog price development (liveweight)



## Sugar price development in Poland



## Prices in Poland compared with EU average (I-VIII 2004)

