

IDENTIFYING KEY PROBLEMS AND DEVELOPMENT PROSPECTS OF MEAT AND DAIRY CATTLE BREEDING IN UKRAINE

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Abstract. *In the article discusses the basic problems of technological and economic character that prevent the development of meat and dairy cattle farms in the Ukraine. Among them is the low share of major investments in upgrading material-technical base of agricultural producers, insufficient of efficient veterinary service, imperfections of systems maintenance and others. At the same time, were singled out directions of increasing economic efficiency of meat and dairy products, which is also impossible without improving the technological component.*

Introduction. Transforming the economy of Ukraine in the European system aimed at creating a new quality of economic growth; improve food security of the population. This, in turn, largely depends on the development of meat and dairy cattle breeding.

Ukraine's desire to join The European Community entails bringing up the economy to European standards and to work on clearly established principles of the world market. The problem is that now agricultural enterprises can not provide high at the level of international standards, product quality, low cost, and accordingly, and high profitability. Moreover, at the current stage, the decline in solvency of population on one side and the dominance of imported goods often of poor quality from another one, appears before the country's economy the issue of increasing the competitiveness of domestic producers. The primary objective here is to adapt agricultural enterprises to the transformational economic conditions. In practice, Ukrainian producers achieve a worthy place in the market and in the representation of consumers is only possible by awareness of the competitive advantages of its own production to foreign goods, by agreeing prices and their capabilities with market conditions.

Negative trends are manifested today in the functioning of all elements of the livestock market: production, processing, storage, sale and consumption of the final product. That is why the stabilization of the situation in the industry of animal husbandry, the effective functioning of all components of its market is a major determinant task of national importance. In all developed countries the problem of the population with high quality meat and dairy products is solved by intensive development of specialized meat and dairy cattle breeding. In Ukraine, during the last period there was a catastrophic decrease in livestock productive livestock. Reducing the animal herds began on reforming collective and state farms and inter-farm enterprises, work stoppage most of the fattening and procurement systems. However, reducing the herd of productive livestock is the lack of support for the production of the public sector. Therefore, to talk about the quick revival of production in the industry meat and dairy cattle breeding is impossible.

This situation calls for a focus on the development of scientific research aimed at industry out of crisis. Hence, there is a need of comprehensive study of the problem aimed for revival the industry meat and dairy cattle farms, to restore the lost positions and to reach a new level of production and consumption. All these reasons led the choice of theme the article.

Materials and methods. This situation is due to several reasons. In the conditions of market imbalance relationship the cost of implementing of livestock production not able to cover the its cost. Also, because of disparity in prices for animal products and material and technical resources and lack of effective public policies that support development of the industry, the majority of cattle farms liquidated because of its unprofitability. The condition is complicated by the situation at the market, where a significant number of products sold through intermediaries that appropriate a significant share of the profits created at the stage of production.

The main production of milk (80 percent) are concentrated at private households, which does not allow technology to ensure high quality. Therefore, the main task at the current stage is to develop and implement the necessary measures to increase gross production of milk, reduce its costs and improve quality.

Beef cattle farms is the most developed in woodlands areas, where are low arable lands, there is a sufficient amount of natural pastures, which enables to graze beef cattle from early spring to late autumn and receive a significant amount of cheap beef with minimal feed cost, human labor and energy. However, in beef cattle in recent years has been a tendency to reducing the number of herd that generally impact on the decrease in production of beef.

In addition to traditional economic difficulties, the investment attractiveness of the sector compounded by factors that determine the local investment climate, such as: uncertainty of land issues, high credit interest rates in the constantly changing credit terms, the lack of effective mechanisms for investment promotion, support and protection of investment from the state. Therefore, the basic imperative of modern processes of investment in cattle breeding is the formation the mechanism of their involvement. It is predetermine updating and creating new production capacities of cattle breeding, the introduction of technology investment and systematic development of modern production. However, in general, these processes have yet exceptional nature substantially without affecting the overall condition of the meat industry.

Results. Compared with other sectors of agriculture, the decision on investment in beef cattle is the most difficult because of the following factors:

- Beef cattle has the largest ratio between the value of used fixed costs and working capital (input) to the value of the obtained product (output);
- Has the longest cycle of working capital rotation and therefore the lowest annual amount of circulation;
- Meat production provides less revenue per unit of volume investments;
- In general, beef cattle has the largest payback periods compared to other sectors.

Also feature beef cattle is that reducing the volume of investments directed by cheaper and less technological and quality equipment, reduce the cost and simplify farm projects, the use of cheaper and less productive breeds of cows, and so lead to sudden loss of economic efficiency created production.

It would be reasonable at the regional level to focus on the main directions of beef cattle:

- 1) involvement of the local budget to finance the beef cattle;
- 2) expansion of the services network infrastructure on selection and reproduction of cattle, harvesting, processing and marketing cattle;
- 3) development of resource-saving environmentally friendly technologies in cattle breeding, training professional workers and improve their skills, creation of rural extension services.

At the level of agricultural enterprises for the breeding beef cattle should provide the necessary volume of feeding forage to improve the selection and breeding work and the level of veterinary care. Market relations in cattle breeding must be formed on the principles of thrift, competition, protection of producers and consumers. The increasing realization of competitive products cattle breeding will be achieved through:

- Implementation of price support;
- Directing investment to develop the resource potential of agricultural enterprises and processing industries;
- Formation of market infrastructure and promotion of beef cattle owners to participate in the exchange trading system through the creation of marketing by forming harvesting and marketing cooperatives and cooperative agri-trading houses, livestock auctions;
- Formation of wholesale markets;
- Taking appropriate measures to protect the domestic market, which are not inconsistent with the WTO rules;
- Providing participants (operators) market price information of market supply and demand for beef and milk;
- Monitor prices, analyzing and forecasting the state of the market for milk and beef.

Formation of the market of beef cattle production in the planned volumes provide an uninterrupted supply of high quality beef consumers, stability of the process of purchase and sale of beef obtained from beef cattle in increasing volumes and to achieve a level of prices for high-quality beef, which would satisfy the needs of market subjects.

As was discovered, cattle meat direction is in a worse position than milk. Therefore, to accelerate the formation, to increase the number of beef cattle and volume of high-quality beef, dairy and veal production in commercial farms is necessary to use:

- 1) highly specialized meat breeds that have a high reproductive capacity not lower than 85-90%, providing average daily live weight growth of all age-sex groups of beef cattle 750-800 g and 450-500 kg of beef in live weight per cow per year ;
- 2) Industrial alternating and rotational crossbreeding to 30% of females and dairy cattle breeds with bulls of meat breeds that would increase average daily live weight gain of 25-30%, lower cost of feed per 1 kg to 30-35% increase in slaughter weight by 10-15%, slaughter output by 2-5%, improving the taste of meat [1].

Effective maintenance beef cattle industry considering zonal characteristics should be based on application of modern resource-saving technologies, such as:

- Loose maintenance in winter-stall period on deep litter all age-sex groups of animals in premises of simplified type with free exit to ground;
- Grazing livestock for 9-10 months a year with the combined use of pasture and fodder from storage;
- Seasonal calving cows in February - April, which will ensure the maintenance of lactation cows with calves on pastures to 300 days;
- Sucking method of growing calves 6-8 months of age;
- The final fattening calves to high weight condition.

Also, feeding beef cattle feed should be based on domestic production, while maximizing the use of cheap coarse and succulent fodder in winter-stall period and pasture forage in the summer with optimal high-protein content in rations of corn and other feed [2].

Scientific support development of beef cattle has done leading research institutions NAAS of Ukraine, which will ensure the development advanced production technology and processing of beef cattle, breeding new high meat species and ensure implementation of existing genetic potential through the introduction of improved feeding system.

To realize the benefits of beef cattle (high quality raw materials for the leather, textile and pharmaceutical industries) in the meat-processing enterprises should be implemented waste technologies of carcasses processing and rational technology for the separation of carcasses by varieties. Differentiated use of cattle meat carcasses breeds (implementation in trade network and industrial processing) will help better satisfy consumer demand with different purchasing power for meat and meat products, and for processing plants - in high-quality raw materials, and implement purchasing and retail prices depending on quality products. Given the present state of meat cattle efficiency, the main areas of innovation in the industry in the absence of sufficient material and financial resources should be in existing skilled scientific and technical potential and high level of his education.

So, define several main reasons for the negative development of the industry. First, inefficient farming. Despite the high paid prices for milk, the industry remains little attractive for business executives. If in May 2013 the average purchase price of raw milk produced in farms amounted to 35 €/100 kg, in October reached 38 €/100 kg; young cattle weighing over 400 kg were taken 13.0-13.5 €/100 kg. For comparison, the average price of milk in 2013 in the European Union fluctuated within 33-36 euro per 100 kg of products, cattle meat - 76 euros per 100 kg. World experience shows that to solve the problem of domestic beef market is impossible without the development of beef cattle. In Ukraine, per 100 dairy cows account for about 1.6 meat ones. In the United States, Canada and France, this figure rises to 200-300 heads. In the future forecast to have 175 ths beef cows, or 27 goals on 100 dairy cows. Expected amount of production is 0.7-1.5 mln tons of meat from beef cattle and from all herd can be produced 3,4-4 mln tons. Analyzing the world experience is possible due to solve this problem by the comprehensive development of meat and dairy. For the formation of this intensive industry in Ukraine created objective conditions [1].

The determining objective factors that enable the future development of the industry of meat and dairy are:

- Nutritive. The population is not fully ensured by important protein food because of big shortage of beef, fresh milk and their consumption.

- Social. In rural areas, more than a third - the population of retirement age. In farms for breeding dairy cattle, it is difficult to solve staffing problems, especially with the milkmaids. In the future short term, these problems remain. With a constant decrease in the number of working rural population, beef cattle will account for less and less workers. The way out of this situation may be found in using low-cost technologies keeping beef cattle, which requires at 8 - 10 times less work force.

- Energetic. With the current energy shortage, the industry requires minimal power consumption, mechanisms and machines. Power consumption of beef cattle at 60-80% less in comparison with the dairy.

- Environmental. Particular attention should be deserve at the development of beef cattle in areas contaminated with radionuclides. There is a very acute problem of human resources and produce environmentally friendly products. This industry helps solve the problem of employment. In addition, the meat into the body gets less radionuclides, particularly strontium than milk.

- Resource. Meat cattle requires significantly lower costs of concentrated feed more efficiently uses the pastures. It is necessary to create highly cultivated pastures and meadows that provide efficient use of available feed resources and driving profitable beef cattle industry.

- Pricing. Prices in the beef cattle do not provide a simple reproduction of the herd. Due to lack of forecasting pricing, underdeveloped market infrastructure and imperfect management system market to overcome the situation in meat and dairy quickly will be fail.

- Economic. In the diet of beef cattle is used cheaper crude and green feed, food industry waste. They receive high quality meat and leather, valuable raw materials for the pharmaceutical industry in the application of energy-saving technology of its maintenance.

For further development of cattle breeding in our country, given the diversity of climatic zones of Ukraine, it is necessary to have more beef breeds, they will create a "market" that would have totaled at least 15-20 meat breeds. For each zone must have several beef breeds that are well hybridize with each other. Natural and climatic conditions are favorable for creation developed beef cattle industry in Ukraine, so grazing should be an integral part of beef cattle industry. For different climatic zones of the country has developed special technology creation and long-term use of pastures based on specially selected varieties of herbs [3].

For this it is necessary to start creating economic and technological conditions for the formation and accelerated development of specialized beef and dairy herds.

The distribution of cattle in two directions is key in this matter, since the combined focus on breeding cattle breeds (meat and dairy specialization) will not provide the population with high-quality meat and milk in the required quantity.

The potential productivity of most meat combined breeds slightly inferior to specialized meat ones, but in an output its quality is significantly higher than combined. The output of meat from specialized beef breeds per 100 kg slaughter weight is almost 10% more [4].

Due to the strategic goal of beef cattle also we note that the starting economic and technological conditions needed not only to create a breeding beef cattle database, but (at high credit rates) to support the almost three-year production cycle for cattle breeding in agricultural enterprises [4].

To ensure high-quality beef herd of Ukraine should to lay the solid genetic foundation of new beef cattle. So in the breeding should be involved all the best domestic selection stations. In this case, to the forefront implies the need of detailing comprehensive assessment of genetic resources, capturing and integrating multiple information streams into a single unit through analysis and synthesis. To improve the efficiency of the selection process is advisable to purchase the genetic resources and embryos.

Conclusions. Low economic efficiency of production in domestic cattle farms largely caused by insufficient process control. This process is due to lack of objective information on planned expenditures and assessment of the consequences impact during the decision-making in organizational, economic and technological spheres [5].

The main thing is justification of in determining the strategic direction and development of specialized beef and dairy cattle breeding in Ukraine - are:

- Lack of deliberate policy increasing herd of highly specialized meat and dairy breeds.

- The lack of a strong food base that can ensure the full realization of the genetic potential of livestock. Due to poor organization, fattening average live weight per head of cattle sold for slaughter in all categories of farms in Ukraine was only 362 kg.
- Unprofitability of cattle meat in agricultural enterprises, which ranged from -20% in 2005 till to -50% in 2014, and the profitability of milk production in farms does not exceed 20%.
- Lack of state support for specialized farming. Partial refund of the purchased breeding heifers meat or dairy productivity and construction or reconstruction of farm systems are available to a limited number of agricultural enterprises through a complicated bureaucratic procedures and corruption of local authorities [386].

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