



Deutscher Tropentag, October 11-13, 2005, Hohenheim

“The Global Food & Product Chain—
Dynamics, Innovations, Conflicts, Strategies”

Development Perspectives of an Ukrainian Pig Breeding Farm from a Breeding and an Economic Point of View

O. KONONENKO, HENNING WILLEKE, RALF SCHLAUDERER

University of Applied Sciences Weihenstephan, Department of Agriculture, Germany

Abstract

Pig production and supply of the Ukrainian people with pig meat still is far from being satisfactory. To improve the situation a focus has also to be given to quality aspects of meat.

The price system for trading pigs in Ukraine is classified according to three categories. Almost all pigs produced belong to the second category. A quality improvement of the produced pig meat is well paid. Purchasers are willing to pay 20% more for pigs of the first category which is characterised by a back bacon density of 15 up to 20 mm and a weight of fresh slaughtered and not cooled pig body between 53 and 72 kg. This article analyses the possibilities for reaching this aim by different investments to improve the production facilities.

Data in form of intensive interviews, food analyses and participating observation were collected. For the analyses gross margin calculations, multi period investment methods and liquidity analyses were used. The case study was conducted in one of the leading piglet production farms in Ukraine in the area of Dnjepropetrovsk. The farm owns about 6,400 ha, 20,000 pigs, 1,200 sows and cattle. On the basis of an intensive analysis of the present situation the optimisation possibilities were defined and researched. There would be three different development paths based on the concept of an introduction of hybrid piglet production by purchase and import of Pietrain:

Variant a) breeding of Pietrain boars by purchase of Pietrain sows and artificial insemination by also purchased Pietrain sperm; b) suppression crossing by purchase of the Pietrain sperm and artificial insemination of sows of the Ukrainian meat race; c) purchase of young Pietrain boars. The results indicate that all three measures increase profitability. While suppression crossing shows the highest gross margin and entrepreneur profit, variant a) shows the highest annual interest rate for used capital and variant c) the shortest time needed to reach the objective. Depending to the overall situation, the choice between the variants may be different. Regarding the high insecurity for the coming political and economic development, it may be more interesting to forego on higher unsure rate of interest but to have a more save even if lower income.

Keywords: Economic assessment, pig breeding, crossbreeding, Ukraine