

1 Development of the agricultural holdings structure

The structure of agriculture holdings has changed radically in consequence of political changes in the 1990s in the Czech Republic. Large state companies have transformed into smaller enterprises of several legal forms. But in contrast to most countries in the European Union, the family farm has not become typical of the Czech Republic. The average size per holding reached its minimum (66.6 ha) in the year 2000. In the last several years the farms have been getting larger in size while the number of farms has gotten lower. From 2000 to 2005 the number of holdings decreased by 22.0%, and the average area of the agricultural holding rose to 84.2 ha at the same time. This number is significantly higher than the European Union average of 15.8 ha.

According to FSS 2005 results, active farmers were utilising 3.558 mil.ha of agricultural land during the year 2005. This was a 1.7% decrease in comparison to the year 2003. This decrease is caused by the decline of the amount of agricultural land especially at the outskirts of big cities because of investments in construction of communications, flats, and industrial and logistic centers. Another reason is the state grant policy, which benefits farmers for the forestation of their agricultural land.

The legal form of a holding is one of the major characteristics in the typology of reporting units.

Tab.1 Structure of active entities in agriculture: by legal forms, 2000 – 2005

	Indicator	AGC 2000		FSS 2003		FSS 2005		Index 2005/2003
		Abs.	Share %	Abs.	Share %	Abs.	Share %	
Active entities, total	Number	54158	100.0	54071.0	100.0	42252.0	100.0	78.1
	Area (ha)	3607572	100.0	3618920.0	100.0	3557791.0	100.0	98.3
	Average area	66.6	x	66.9	x	84.2	x	125.9
By legal forms:								
Holdings of natural persons, total	Number	51473	95	51287	94.9	39419	93.29	76.9
	Area (ha)	952082	26.4	1009078	27.9	1041454	29.27	103.2
	Average area	18.5	x	19.7	x	26.4	x	134.1
Holdings of legal persons, total	Number	2685	5	2784	5.1	2833	6.705	101.8
	Area (ha)	2655490	73.6	2609842	72.1	2516336	70.73	96.4
	Average area	989	x	937.4	x	888.2	x	94.8
Business companies & partnerships	Number	1859	3.4	2069	3.8	2154	5.098	104.1
	Area (ha)	1562790	43.3	1657363	45.8	1634490	45.94	98.6
	Average area	840.7	x	801	x	758.8	x	94.7
Limited liability companies	Number	1264	2.3	1400	2.6	1493	3.534	106.6
	Area (ha)	773549	21.4	769712	21.3	785576	22.08	102.1
	Average area	612	x	549.8	x	526.2	x	95.7
Joint stock companies	Number	559	1	627	1.2	622	1.472	99.2
	Area (ha)	773901	21.5	870111	24	834436	23.45	95.9
	Average area	1384.4	x	1387.7	x	1341.5	x	96.7
Cooperatives	Number	741	1.4	631	1.2	584	1.382	92.6
	Area (ha)	1059451	29.4	917936	25.4	848797	23.86	92.5
	Average area	1429.8	x	1454.7	x	1453.4	x	99.9

The number of legal persons has slightly increased since 2003. However, they have utilised lower agricultural area (by 3.6%) than in 2003. Their average area has decreased by 5.2% (by 49.2 ha) to 888.2 ha. Nevertheless legal persons cover more than two thirds (70.7%) of the utilised agricultural area.

Data collected in FSS 2005 reveal some changes in the legal forms of holdings in Czech agriculture from 2000 to 2005. The decrease in number of cooperatives was compensated for by the increase in number of business & partnerships, largely by limited liability companies. In 2000, 741 cooperatives utilised 29.4% of total agricultural area, whereas in 2005 it was only approximately 584 cooperatives sharing 23.9% of total agricultural area. Cooperatives have traditionally the highest average utilised agricultural area – 1 453.4 ha, followed by joint-stock companies (1 341.5 ha).

In contrast, the number of holdings of natural persons has gone down considerably in recent years. Since 2003 this number has decreased by 23.1%. There are two main reasons for such a decline – the fact that some farmers did not reach the threshold values set for the survey and stricter legislative and administrative requirements on farmers causing that some of them were out of business. Consequently,

the average area of holdings of natural persons rose by 34.7% (6.7 ha) and also a small increase in the share of utilised agricultural area (3.2%) from 2003 was registered.