

SLOVENIA

Farm's performance & modernisation

Location
Savinjska

Programming period
2014 – 2020

Priority
P2 – Competitiveness

Measure
M4 – Investments in physical assets

Funding (EUR)
Total budget 336 276.45
EAFRD 125 947.60
National/Regional 41 982.54
Private 168 346.31

Project duration
2017 – 2017

Project promoter
Januš Juhart

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Website
n/a

A family farm used RDP support to switch from cattle to turkey breeding in response to market demand.

Summary

The family farm Juhart recognised a market opportunity and decided to increase production capacity for breeding turkeys as an alternative to the cattle breeding that was traditionally the primary source of income. The project constructed a new poultry house with two tower silos and a water tank for collection of rainwater.



Results

The investment increased overall production capacity 2.3 times, enabling 20 600 turkeys to be bred annually.

The income increased and jobs on the farm have been secured.

The new water tank contributed to the more effective use of rainwater and thus savings in production costs.

Lessons & Recommendations

- ❑ Careful project and financial management are very important and the support of the advisory services in the preparation of investment documentation can be very helpful. The project holder must be aware of the strict rules and possible mistakes that could cause ineligible costs.
- ❑ The new poultry house could only be built at one location according to spatial plans. It turned out that stronger south winds affected the ventilation systems and new solutions had to be found. The micro location can be an important element in planning.

Context

The family farm of Januš Juhart is located in the Slovenian region Savinjska, which has longstanding tradition in livestock breeding. The farm owns 21.4 ha of fields and 6.6 ha of meadows, which are used to produce fodder for breeding 90 bulls per year. It has nine breeding sows and sells 200 piglets annually. Since the beginning of the 1980s the grandparents and parents of Januš diversified farm production into chicken breeding. In 1994 they converted to turkey breeding and began supplying a large poultry processing company in Slovenia, Perutnina Ptuj with around 4 400 turkeys per production round (two rounds per year).

Januš holds a university degree in food science and nutrition and has been employed on the farm since 2013. The cooperation with Perutnina Ptuj turned out to be more stable, reliable and with better market opportunities compared to cattle breeding. The family decided to respond to the promising market trends and began preparing a business plan for the construction of a new poultry house and a water tank. In October 2016, they applied for support under Measure 4.1 of the RDP and were successful. In 2017 Januš also took over the farm from his parents and now manages the entire investment.

Objectives

The overall objective of this investment was to increase the breeding capacity of turkeys and thus increase the farm's income and secure employment.

Activities

The project financed the following activities:

- Construction of a new poultry house for breeding of 5 900 turkey per production circle.
- Acquire equipment for animal housing and feeding for 5 900 animals.
- Purchase and installation of two tower silos for storing of fodder, with capacity of 20 m³ each.
- Construction of a water tank for collection of rainwater with capacity of 22 m³.

The entire investment required careful planning to identify all technological requirements, to coordinate various suppliers and to keep them within the allocated budget and time.

The poultry house was constructed according to the requirements of free-range breeding. Its external dimension is 63 m x 12 m with a breeding area spread over two levels, the ground and upper floor. The collected rainwater is used for washing the facilities on the farm. Wood chips are used for the heating of the poultry house.

The farm provides services for the poultry company on the basis of a long-term contract. The fodder and health care are provided by the company. Annually, two rounds of turkeys are bred, and the farm gets paid an agreed amount per kilo.

The poultry company supplies one-day old turkeys. For the first 10 days the chickens are housed in the upper floor using about two thirds of the surface. They are separated into around eight groups to enable better control and care, which at the beginning takes places every two hours. After 10 days they are housed in the entire floor and after 22 days male and female turkeys are counted and separated and settled also on the ground floor.

The farm constantly cooperates with the veterinarians and technology specialists from the poultry company, while extensive training is provided every two to three years.



"If I had to take the decision about this investment once more, I would do it again, despite the fact that eventual changes in the ownership of the poultry company may bring new unpredictable challenges. The RDP support helped a lot in the sense of lowering the risks of investment. Being rational in the implementation was one of important elements of success."

Januš Juhart, project holder

Main Results

- In the newly constructed poultry house, which has been operating for a year and a half, three rounds of turkeys were bred so far with exceptional results. The overall production capacities increased 2.3 times following the investment, and the Juhart farm now supplies around 20 600 turkeys annually.
- Modern production capacities, which are animal friendly, combined with the knowledge and great care led to the farm being ranked in top five suppliers to the poultry company.
- The farm income improved and the jobs on the farm are secured. In the long term, the family see themselves specialising more in poultry and slowly phasing out cattle breeding.
- The new water tank contributed to a more efficient use of the rainwater and savings in the production costs.
- The investment contributed to an overall increase of self-sufficiency in poultry meat in Slovenia.
- Lessons learned from the first investment encouraged the project holder to apply for the young farmer measure, which will provide support for the improvement of the production equipment, ICT equipment and infrastructural improvement of the farmyard.

Key lessons

- The investment was based on long-term cooperation with the poultry company, with both partners recognising the market opportunity. Although the markets are currently difficult to predict, the previous experience and knowledge of the market contributed significantly to the investment decision.
- Careful project and financial management were very important and the support of the advisory services in the preparation of investment documentation was very helpful. The project holder was engaged in such an important investment for the first time and was aware of the strict rules and possible mistakes that could incur ineligible costs.
- The new poultry house could only be built at one location according to spatial plans. It turned out that stronger south winds affected the ventilation systems and new solutions had to be found. The micro location can be an important element in planning.
- The farm has continually invested in the modernisation of equipment, which has helped maintain its good condition and performance over time.

Additional sources of information

n/a