

Submitted Abstract

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Abstract

Transhumance is a typical activity for Greece that is actually balancing between innovation and tradition. The main product of farms is milk, which is sometimes transformed to cheese on-farm or, more often, sold to dairy industries; these choices formulate short value chains as well as nationwide ones - all of which contribute to an extent to the promotion of the system. Especially the valorization of summer milk - which is produced while small ruminants graze in natural rangelands with high biodiversity - constitutes an important opportunity for transhumance. This paper presents an assessment of the economic implications of producing a cheese from this summer milk which will be certified for its transhumance origin. The analysis is based on interview data from transhumant farmers in the Northern Pindos, Greece, which is one of the main “transhumance hotspots” in Greece.

According to the results of a descriptive technical and economic analysis, the economic performance of farms is heavily dependent on the prices of milk as well as on subsidies, while transhumant farms exhibit significant cost savings mainly due to the use of natural rangelands. The two main problems that producers face is that milk prices are relatively low and also that input costs demonstrate a very impressive increase, especially the last two years. In fact, milk prices are increasing but they do not seem to cover for losses due to input increases. Based on the technical and economic indicators, a farm-level mathematical programming model is used to examine the effects of premium pricing of summer milk on the structure and economic performance of farms. The results show that premium pricing can indeed have positive effects on economic performance but the achievement for actual benefits for farms is also dependent on other factors, such as the availability of labor and access to rangelands. Therefore, there are no unambiguous solutions to boost the viability of transhumance but this can be the combined effects of measures and policies, including the establishment of advisory support services that can provide orientation to farmers. In all, effective governance and cooperation among farmers and networking with other stakeholders can enable the design of integrated strategies to ensure the development and viability of transhumance. Acknowledgment: This research has been co-financed by the European Regional Development Fund of the European Union and Greek national funds through the Operational Program Competitiveness, Entrepreneurship and Innovation, under the call RESEARCH - CREATE - INNOVATE (project code:T1EDK-04475)