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THE MAIN TRENDS AND PROSPECTS OF THE AGRICULTURAL DEVELOPMENT IN SERBIA

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Abstract. *Agriculture can be qualified as a specific sector that represents an important part in implementing strategic vision of the Serbian economy's development. The reason for this is that over the past decades the accumulation that other sectors cannot provide has been drawn from this sector and that the great potential that Serbia possesses in this sector is not completely and adequately utilized. However, the development of this sector is burdened by the problems that have been created as a consequence of the impact of factors in the internal and external environment over the years. This points to the need for creating the efficient agricultural policy that will use transition as a chance for solving them and creating the conditions for agricultural development in Serbia through the adequate application of instruments. The aim of this paper is to point to the need for integral observation of Serbian agriculture development in the future through the analysis of trends in this sector, not only because of the strategic character it has, but because it can become an important producer of GVA (gross value added) jointly with the industrial sector.*

Key Words: *agriculture, Serbia, directions of further development.*

INTRODUCTION

It is well known that climate-geographical characteristics are one of the most important comparative advantages of Serbia, placing Serbia directly into the group of countries subjected to the development of agro-industrial sector as a key driver of development. This is characteristic of Serbia in particular, since the agro-industrial complex has an important place and role in the economic development and thus can be called the most important sector. This sector will in the future determine the economic developments in the country.

Agriculture is not considered a common economic sector, especially in Serbia, considering it has drawn from this sector the accumulation that other sectors cannot provide, unfortunately. There are great expectations from agriculture and all strategies (both national and local) recog-

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nize it as a strategic sector. Agriculture is a sector that can generate more wealth than before, but it should not be overemphasized as a key development factor.

Regardless of its unquestionable strategic importance considering it provides basic living means first of all, the drivers of modern development should be the secondary and especially, the ternary sector. In addition, the "structure of forming the social product in Serbia resembles the structure of the modern market economy, where the share of "other activities" dominates, followed by the industry and agriculture, participating with the lowest percentage in forming the social product". [1, p. 163]

Aside from short introductory considerations, the paper is conceived in the following manner: in the first part, the main trends in agricultural development are analyzed. The second section, being the central one, provides recommendations for future development of this strategically important sector. In the final section, the explicit explanations of the agricultural policy's aims in the forthcoming period are given.

THE MAIN TRENDS OF THE SERBIAN AGRICULTURAL DEVELOPMENT

The high degree of relatedness between agriculture and food industry indicatively points to the clear differentiation of place and importance of agro-industry in determining future economic developments in Serbia. The importance of future developments of the agro-industry is verified by data form the exhibited table (Table 1), considering that the agro-industry as a separate economic field singles itself out in creating the social product of Serbia (in 2009, its share amounted to 20%).

Favorable natural conditions (terrain and climate) enabled the development of a variety of agricultural production in Serbia (both plant and livestock production). The structure of created agricultural production values comprises 59% of plant production, 41% of livestock production. By comparison, the structure of agricultural production value in the EU comprises 70% of livestock production, and some 30% of plant production.

Table 1 Agroindustry in Serbia

Year	Agricultural production	Food industry	Other
2002.	14,8 %	5,9 %	79,3 %
2003.	13,6 %	5,7 %	80,7 %
2004.	15,0 %	5,4 %	79,6 %
2005.	13,5 %	5,4 %	81,1 %
2006.	12,6 %	5,3 %	82,1 %
2007.	10,8 %	5,2 %	84,0 %
2008.	11,8 %	5,5 %	82,7 %
2009.	10,8%	7,2%	82,0%

Source: PKS.

Serbia occupies a large agricultural area– 4 218 000 ha of fertile soil, i.e. 0,56 ha per citizen, which is above European countries' average. The ratio between forest and agricultural area is also above the European average. Water regime is good but not sufficiently used for the purpose of agricultural development.

When it comes to agro-technology, it is unfavorable and obsolete and the application of agro-technological measures is in most of farm households inadequate, except in plants. Also, the estates are relatively reduced, with the dominant presence of farms comprising up to 3 ha, which have a reduced productivity.[1]

If we should try to analyze the main trends in this sector, then we can emphasize the following.

First, the share of agriculture in GDP has been reduced, which is a classical development trend, but the agricultural production has been increasingly growing over the past years. Thus, in 2001, the share of agriculture was 15,7% in GDP and in 2006, 10,7%.

Table 2 Agricultural production indices (Basic indices 1995=100)

Year	Σ	Plant production				Livestock breeding				
		Σ	Arable farming	Fruit grow.	Viticulture	Σ	Cattle breeding	Pig farming	Sheep farming	Poultry farming
2004	118.5	139.7	125.4	292.2	116.5	94.1	100.4	87.5	100.8	91.3
2005	112.5	131.5	123.4	220.6	66	96.3	101.7	90.4	102.2	93.9
2006	112.2	128.1	114.6	279.8	98.6	93.8	100.9	84.2	104.7	96
2007	103.2	105.3	88.2	309.7	97	94.2	100.6	87.9	99.4	91.4
2008	112.1	129.8	114.4	304.8	102.3	91.5	100.2	81.2	101.5	91.5

Source: RZS.

By analyzing data from Table 2, it can be concluded that the largest indices are registered in plant production, with the largest growth in fruit growing and arable farming, while livestock breeding is generally characterized by stagnation, which is not a good trend.

Table 3 The most important export and import destinations of agricultural products

The most important partners according to the import value in 2008			The most important partners according to the export value in 2008		
Country	Amount in kilos	USD value	Country	Amount in kilos	USD value
BIH	490,878,714	383,858,409	Germany	34,785,469	111,128,974
Republic of Montenegro	351,668,312	338,497,561	Republic of Macedonia	105,772,339	101,331,289
Republic of Macedonia	194,368,929	145,709,987	Brazil	52,707,846	90,239,801
Germany	86,601,640	123,592,310	Croatia	65,794,131	85,075,474
Austria	49,032,187	88,819,312	Italy	39,822,272	84,555,931
Italy	141,351,179	83,971,493	Netherlands	31,196,921	68,099,830
Hungary	109,049,784	81,410,576	BIH	58,758,649	55,501,502
Russian Federation	80,445,831	75,058,875	Equador	51,517,327	43,458,946
France	21,456,037	59,426,577	Hungary	38,365,875	42,820,614
Greece	78,021,788	56,317,126	Polland	11,163,842	38,860,727

Source: Customs Administration, 2008.

Second, Serbia is a net exporter of agricultural products, with the largest sufficit realized in 2007 (over $600 mil.). Opening of the market, preferential status in the EU,

[1] For example, an average farm size in Great Britain is 63,3ha, in France 41,7 ha, and Denmark 42,6 ha...

the free trade agreement with Russia and the CEFTA agreement influenced such a trend positively.[2]

The data in Table 3 clearly show that the largest export of agricultural products of the Republic of Serbia, in terms of geographic positioning is to surrounding countries – Bosnia and Herzegovina, Montenegro, Macedonia, but also to EU countries and Russia.

The most important exported agricultural products include sugar, raspberries, corn, wheat flour, sunflower oil, which are exhibited in Table 4.

Table 4 The most important agricultural products in foreign trade

The most important import agricultural products in 2008			The most important export agricultural products in 2008		
Products	Amount in kilos	USD value	Products	Amount in kilos	USD value
Coffee with caffeine, not roasted	38,438,731	97,733,787	White sugar	178,493,545	145,213,706
Bananas, fresh	68,909,018	56,891,674	Rolend Raspberry, frozen sugar free	25,577,682	106,183,606
Other products not mentioned	7,823,364	32,888,686	Corn, yellow	529,427,370	94,840,256
Oranges sweet, fresh	38,117,592	27,247,849	Beer	93,516,432	59,242,173
Cigarettes	1,624,050	27,085,127	Griz raspberry	15,360,066	53,567,507
Soybean remains	52,409,089	26,283,254	Wheat flour	102,017,086	49,594,908
Chewing gums, sugar free candies	4,774,675	23,118,998	Soybean oil, raw	34,855,988	45,335,795
Palm oil	16,003,305	21,990,927	Soft drinks, without milk	74,440,294	42,286,648
Tomato	23,897,966	19,599,628	Water with added sugar	67,580,129	40,030,656
Nutrition products, nn	1,472,895	19,443,185	Sunflower oil, edible	17,332,943	33,578,997
			Sunflower oil, raw	25,796,083	30,616,259

Source: Customs Administration, 2008

The main limitations for more efficient entry into the international market are the following

- Meager range of food products in contrast to the contemporary offering in the world,
- Inconsistent product quality and undefined quality and standard system,
- Unattractive design of packaging and insufficient scope of marketing activities,
- Weak connection of agriculture and other industries,
- Low qualification structure of employees,
- Insufficient capacity usage.

Third, agriculture as any other sector is caught in the transition process, with the ownership transformation process still in progress in this sector. Inexistence of adequate legal regulation (especially, when it comes to land restitution), additionally opposes privatization, although most of agricultural plants have been privatized. This is one of the most sensitive issues that demands permanent monitoring, as it concerns this strategic sector on one hand, and a direct impact, on the other. The prior scenario of privatization of industrial giants without clearly defined criteria and principles must not be repeated.

[2] The import of agricultural products originating from Serbia is not burdened by agricultural tariff on part of the EU and this preferential status is valid for unlimited amounts, except sugar, baby beef and wine that are under the regime of established customs rate.

Fourth, the instability and cyclicity in conducting the agricultural policy are evident. From 2000 to the present day, three characteristic stages in the agricultural policy have emerged: the first (2001-2003), oriented towards price support for specifying agricultural crop (soybean, sunflower, sugar beet, wheat); the second (2004-2006) that abolishes price support and introduces support for investment and the third (2007-2008) that brings numerous *ad hoc* non-market measures (payments per a head of cattle or hectare) (Ministry of Agriculture, Forestry, and Water Management, 2009).

Fifth, slow adaptation to standards concerning food safety additionally obstructed by the lack of laws on food safety, a series of supporting acts, and lack of efficient monitoring institutions is one of the greatest failures of the agrarian policy. This is one of the most important problems if one has in mind the future integration into the EU and STO.

Sixth, the slow development of institutions supporting agriculture is impermissible. This concerns both financial and scientific support. Although a number of important institutions have been formed (for example, protection of plants, water and forest), the register established as well as a number of laws adopted, the faster reform of scientific institutions to support agriculture as well as adequate and stable financing of the sector should still be worked on. Without institutional changes, there is no adequate support to agricultural development.

Seventh, the increased urbanization of rural areas, reduction of agricultural area at the expense of building urban and industrial units influence the increase in migration of rural population towards city zones in search of better paid and secure jobs. This issue should be addressed seriously and immediately, considering that the destitution and devastation of villages are rapid and regional disparity increased. These processes could have immeasurable consequences in terms of extermination of some rural areas. This issue is closely related to the fact of permanent reduction in the number of farmers, either through their transfer to other sectors or effects of increasing the number of households where the elderly live.

The development of Serbian agriculture should be viewed integrally in the future period not only because of its strategic character but because it can become an important producer of GVA in the forthcoming period, jointly with the industrial sector. The assessments point to the fact that the demand for agricultural and agro-industrial products in the world will increase permanently, which must be followed by increase in agricultural production. Developing countries, regardless of increased demand for food products, cannot keep in pace through increased offering, so some of the products must be imported, which is a potential chance for Serbian agriculture. Also, it is interesting that the increase in price of agricultural products in the world market, especially cereals, oil plants, fruit and vegetables, meat and sugar is registered in the last few years, which can have a positive impact on the growth of the offering of Serbian agricultural products. Of course, the shift in the increase of agricultural production and export will happen only if the agricultural policy pays attention to effective measures that it should implement.

RECOMMENDATIONS FOR FURTHER DEVELOPMENT

Serbia's main concern in production of agricultural products of plant origin should be, aside from cereals (wheat and corn) and sugar beet that are traditionally present to the largest extent in Serbian agricultural production, the products such as oil plants, medicinal herbs, vegetables, fruit, and grapes. Serbia is ahead of European countries in oil plants production, and in 2008, Serbia was the largest producer of soybeans in Europe! The production of soybean products that are processed at the highest degree level would be an adequate strategic aim, since in this regard there are real possibilities for increased export of such products.

Serbia has exceptional natural potential for producing medicinal herbs and herbal products. Such a production provides faster and easier profit from other plant crop, but that potential in Serbia is not even remotely utilized. Imposing the processing and export of medicinal herbs is of foremost importance in herbal production, considering that Serbia is currently the exporter of raw medicinal herbs, and importer of various plant products.

The dominant product in the structure of vegetable production is potato with approximately 40%, and the export share of vegetables in the total export of agricultural products is about 9%. Efforts should be made to increase this percentage, especially in the export of processed vegetables (potato, paprika, tomato and other products)

The share of fruit production in the total agricultural production value is approximately 16%. The dominant product in the structure of fruit production is plum with 52% in plum orchards. Serbia is at the third place as a raspberry producer in the world, and aside from producing the raspberry, it is also known for producing plums, sour cherries, apples and apricots. However, the main problem is the disregard of economic policy in terms of its support to the fruit-growing sector. Leaving the market to decide on product prices and lack of financial and professional support, marketing insecurity and a poor standardization system create problems for fruit producers that have lost motivation and patience to deal with uncertain business conditions from year to year. Such practice must be abandoned, or otherwise fruit growing will turn from potentially vital and prosperous sector to stagnant sector. This would have negative repercussions on the development of food industry, considering that its export is of great importance to Serbia.

Viticulture has been neglected in recent years in Serbia, which is the result of careless agricultural policy. However, one must notice the action of the Ministry of Agriculture that has been trying for some years to animate the vine production in Serbia, by offering various incentives to both vine-growers and wine-producers. These positive examples of the agricultural policy should be applied to other critical sectors, as only such a conduct and behavior can influence the sector's development.

The production of agricultural products of animal origin should be favored, with a special emphasis on sheep and goat farming, which provides products more attractive and deficient in the world market.

Cattle breeding represents the most important branch of livestock breeding (participates with 42,6% in total livestock breeding), and livestock breeding is characteristic of private households and big farms but in small scope. Serbia meets the needs for baby beef and exports a part to CEFTA countries, primarily. The dairy production branch is directly connected to and has the most impact on this branch, considering that cow's milk participates in milk production with 90%. In recent years, advancement has been made in this economic sphere, through actions of the Ministry of Agriculture, that increased the genetic quality and breed structure of cattle and their ability to produce milk, which is a positive shift. A negative aspect, however, concerns the appearance of frequent cycles in production that are influenced by wrong and untimely measures of the agricultural policy, hence Serbia must intervene through importing certain amount of meat and dairy products, which should not happen.

As in plant production, the lack of financial support, price uncertainty and the uncertainty of economic policy lead to inconsistent cattle breeding in time, which has a negative impact on the processing industry, especially industry of dairy and meat products.

Pig farming participates with approximately 38% in livestock breeding, and in with 60% in total meat production (Figure 1). This kind of production is primarily characteristic of private farms.

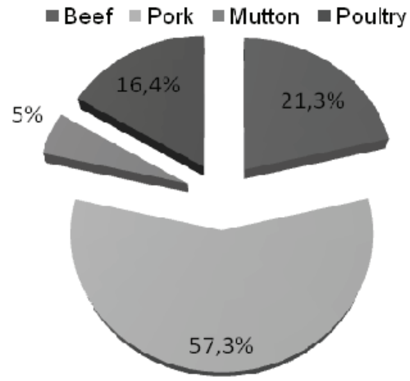

Fig. 1 Meat production in Serbia
Source: "Serbia Agriculture", Ministry of Agriculture, Forestry and Water Management, Belgrade, 2010, p. 55.

Serbia belongs to a relatively small number of countries that have in their breed structure some autochthonous species whose meat is valued and demanded in the world market. There are many possibilities for placing products in the foreign markets, but unfortunately these possibilities are not used. The greatest problems registered in this area are related to failing to implement veterinarian-sanitary regulations and poor motivation of producers because of the negligence of the state concerning export support. Lack of coordination between domestic legislature and that in the surroundings is considered the most serious limiting export factor. [4, pg. 26]

When it comes to poultry farming, in the branch of livestock breeding, there is a hyper-production in Serbia, opening the possibility for exporting. However, because of the high price of these products in comparison to foreign competitors, the export is lesser than expected. This branch is popular because it provides relatively cheap meat, thus making the poultry farming suitable for countries with low standard of living such as Serbia. Liberal conditions of the domestic market, however, enable a great import that negatively reflects on domestic production and low subsidies and legal regulation jeopardizes the prospects of further development of poultry farming.

Sheep farming in Serbia, although there are great comparative advantages for it, is not realized to the extent it should be, which is also characteristic of goat farming. These are potentially prospective branches of livestock breeding, since there is a huge world demand for these products. However, the lack of high quality breed structure and qualified young staff represents serious impediment to their development. The areas suitable for these branches of livestock breeding are depopulated; hence conceiving the integrated programs of rural development should commence immediately.

MEASURES FOR REDUCTION THE EFFECTS OF CURRENT CRISIS ON SERBIAN AGRICULTURE

The basic characteristic of the agricultural policy in the prior period was its unpredictability. Frequent changes in the agricultural policy and lack of precisely defined strategic framework of development are some of the factors that deepened the problems in the domain of Serbian agriculture and contributed to the sector's lagging behind for decades. The problems of Serbian agriculture have been put to the fore by the current global economic and financial crisis, which reflected on Serbian economy at the end of 2008, continuing to 2009 and 2010. "Instead of stopping negative tendencies in the national economy in the process of ascending to the EU, which are manifested in the agriculture's function as a social "stabilizator", they have been additionally deepened by the impact of the global economic crisis. This has its reflection on general decrease in price of agricultural products, whose reduction intensity is stronger than the decrease in the price of agricultural input and final agricultural and food products. Also, under conditions of the global economic crisis, the demand for high quality, health safety and more profitable agricultural and food products has been decreased-which has a negative impact on quality structure of agricultural production. The general credit potential has been reduced, since farms under conditions of the economic crisis traditionally avoid to loan considering market uncertainty and increased business risk". [6, pg. 41-42]

Data on the number of arranged credits in the first quarter of 2009 in comparison to the same period of 2008, provide a clearer picture of the state of agricultural loan markets (Ibid). Thus, for example, the decrease of credit activity has been registered with the bank Komercijalna banka that approved in the January-March period dozen of agro-credits in comparison to the same period in 2008, when about 226 agro-credits were arranged. The similar tendencies have been registered with the bank ProCredit (which participates in the total crediting of farmers with 37%), which faced a 28 % decrease in credit activity in agriculture in the first quarter of 2009 in contrast to the prior year. If we add a decreased input of foreign direct investment not only at the whole economy level but also at the agriculture sector level that slightly participates in the total input, it can be concluded that the state of this sector raises concern.

The most important measures for mitigating the effects of the crisis in the agriculture are the following [7, pg. 44-47]:

1. improvement of informing individual farmers and companies that do business in the agricultural sector in order to get acquainted with the tendencies in the market, consequences and effects of the crisis;
2. securing high degree of predictability of the agricultural policy and taking measures for eliminating the disturbed market;
3. providing adequate budget support to the agricultural sector;
4. inciting through all available measures the credit activity for securing purchase, investment, competition advancement and production financing from sowing to harvest;
5. inciting investment activities with individual farmers;
6. providing adequate support to non-commercial households;
7. improving cooperation with the donors and building support institutions for the purpose of using the EU funds that are intended for agriculture.

CONCLUSION

Having in mind the aforementioned, the following important aims can be selected for the purpose of formulating key recommendations related to the development of this strategic sector. The agricultural policy should in the forthcoming period pay attention to:

1. increasing competitiveness of the agricultural sector,
2. increasing the quality of agricultural products,
3. serious work on standardization of agricultural products and revitalization of villages,
4. timely preparation of agriculture for the EU accession,
5. serious approach to forming and using the agricultural budget,
6. protection of geographical origin of agricultural products,
7. inciting the development of organic agricultural production,
8. conceiving the network for supporting rural development.

The aim of increasing agricultural competitiveness is to build sustainable and efficient agricultural sector that can compete in the world market, contributing to the growth of national income. [5, pg. 11] Increase in the competitiveness of agriculture in the case of Serbia can be dual, pricing and through increase in the quality of agricultural products. Surely, there should be advancement in the work of institutions that provide support to agriculture, investment increase as well as in efficiency of agricultural production.

The increase in the quality of products will be of exceptional importance in the forthcoming period to which the process of increased standardization will surely contribute. Only that way will raw and processed agricultural products find their way to markets outside Serbia, especially to the EU countries and developing countries.

The development and revitalization of villages are the most important strategic aims, when it comes to the strategy of agriculture development and development of villages in general. This issue is so ardent and current that any delay in its implementation is unacceptable and dangerous, considering that a great part of dwellings is abandoned or has disappeared. Strong villages and farmers economically well-off are the basis for any agricultural production that can be called a strong development factor in Serbia.

Modern agriculture must be based on modern methods for producing and processing agricultural products and must be scientifically based. This is one of the requirements of good standardization, quality increase and competitiveness advancement, but also the only way of its integration into the EU agricultural production system. Thus, the preparation of Serbian agriculture for joining the EU should be intensified in terms of aligning agriculture legislature, building necessary institutional basis, personnel reorganization and continual education of farmers, protection of geographical origin of agricultural products.

The thing that can be very profitable and interesting part of agricultural production is organic production for which Serbia has a comparative advantage. Hence, the implementation of organic production projects must be taken into account seriously.

Enhancing the institutional framework, with the aim of supporting rural development is a prerequisite for achieving efficient and sustainable transformation of the rural areas. For the purpose of promoting agricultural development and advancement, improving living and working conditions and exterminating poverty in rural areas, the Ministry of Agriculture, Forestry and Water Management has undertaken steps towards creating adequate network for rural development support. This network comprises fifteen regional centers on the territory of the Republic of Serbia. The main aim of creating regional offices is better informing of rural population about legal framework in the area of agricultural and rural development implemented by the authorized ministry. Rural development support through the network can be achieved by implementing the following clearly defined aims:

1. efficient utilization of existing and development of new potentials for rural development;
2. development of efficient information system for the purpose of planning and monitoring the effects of implemented measures of rural development,
3. improvement of information flow at both levels, vertical and horizontal;
4. identification of key actors in supporting local and regional initiatives for rural development;
5. improvement of conditions for the development of rural areas, improvement of life quality and employment in rural regions through creating new businesses and opening new working places.

Aside from that, organizing efficient consulting service system in agriculture has an important role in the implementation of the aims of rural development. The affirmation of such a service directly influences the raising of general knowledge level and contributes to better informing of agricultural producers, which in turn creates the preconditions for increasing the income through finer management of agricultural farms, efficient solving of problems in the area of farm development, aligning individual producers' production with market demands, developing entrepreneurship, creating agricultural producers' organizations and implementing the concept of sustainable rural development. The consulting services will be, as it has been envisaged, provided by private agriculture consultants as well, aside from agricultural services founded by the Government of the Republic of Serbia. However, it should be emphasized that because of the current unfavorable financial situations that most farmers face at present, the rising trend in using consulting services is not expected, although they could have an important role in the market for servicing agricultural producers.

If we look at the period following the intensification of reform processes in Serbian agriculture up to 2008, it can be observed that the changes in the institutional structure of the sector have been made with small intensity, thus failing to contribute to setting an efficient institutional framework for agricultural development support. There are two main reasons for such a slow institutional reform of Serbian agriculture. First, the longstanding intersection of the authorities of republic and federal institutions. "Namely, transferring the authority in the area of agriculture from the federal to republic level has been finalized completely in 2004. Prior to forming the state of Serbia and Montenegro, the Ministry of Agriculture of Serbia and Montenegro and the Ministry of Agriculture of the Republic of Serbia worked parallel. By establishing the state of Serbia and Montenegro, the Ministry of Agriculture at the federal level had been abolished and part of its authority was shared between Federal Ministry of Economy and Internal Trade (that continued its work) and the Ministry of Agriculture of the Republic of Serbia. After Serbia and Montenegro separated, all the authority has been overtaken by the Ministry of Agriculture, Forestry and Water Management". [5, pg. 23] Second, the discontinuity in implementing program solutions because of frequent changes in the governing structure within the Ministry of Agriculture, Forestry and Water Management has contributed a lot to a slowdown in institutional changes in this sector and to impossibility of establishing the long-term favorable framework for supporting the development of Serbian agriculture.

Maximal utilization of development potentials of the rural areas requires the establishment of efficient institutions that will adequately and timely provide financial support to the rural population. It is important to point out that the period after 2005 has registered positive developments, with the enhancement of attractiveness of the domestic banking sector, in terms of the development of the domestic financial market, but also the introduction of new financial instruments and techniques for crediting the development needs of domestic agriculture.

Finally, the last link in the chain are the non-government institutions, whose role in rural development differs from country to country due to the differences in the capacity and level of connection with rural communities. However, the beginnings of the NGOs date from the early 1990s of the 20th century and the constant progression in their activities has been registered. Primarily realized through humanitarian programs, the activities of non-governmental organizations range from activities such as those supporting socially deprived categories, including rural population, to activities related to environmental protection. Considering that non-governmental organizations act as active participants in the area of rural development, better informing of rural population about their initiatives and programs is of crucial importance for enhancing cooperation and partnership and implementation of economically efficient and payable programs of non-governmental organizations' activities, from the aspect of rural development.

It can be concluded that there could hardly be any modern agriculture contributing to the total Serbian economic development without a network of institutions that provides support to rural development. The network of institutions must be all-encompassing, flexible and must contain various modes of support, from professional to financial. Only in that way will the uncertainty coefficient be reduced to a minimum and the interest of agricultural producers for enhancing production raised.

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GLAVNI TRENDOVI I PERSPEKTIVE RAZVOJA POLJOPRIVREDE U SRBIJI

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Poljoprivreda se može okvalifikovati kao specifičan sektor koji predstavlja važnu kariku u lancu za ostvarivanje strateške vizije razvoja privrede Srbije. Ovo iz razloga što se iz ovog sektora nekoliko decenija unazad crpe akumulacija koju drugi sektori ne mogu obezbediti i usled činjenice da veliki potencijal koji Srbija poseduje u ovom sektoru nije u potpunosti i na adekvatan način iskorišćen. Međutim, razvoj ovog sektora opterećuju problemi koji su nastali kao posledica delovanja faktora u internom i eksternom okruženju u dužem vremenskom periodu. To ukazuje na potrebu kreiranja efikasne agrarne politike koja će tranziciju iskoristiti kao šansu za njihovo rešavanje i primenom adekvatnih instrumenata stvoriti uslove za razvoj poljoprivrede u Srbiji. Cilj ovog rada je da, analizom trendova u razvoju srpskog agrara, ukaže na potrebu integralnog posmatranja njegovog razvoja u budućem periodu, ne samo zbog strateškog karaktera, već i zbog toga što može postati značajan proizvođač BDV (bruto dodate vrednosti) u saradnji sa industrijskim sektorom.

Ključne reči: *poljoprivreda, Srbija, pravci daljeg razvoja*