

TABLE OF CONTENTS

FOREWORD	iv
BOSNIAN AND HERZEGOVINA – INTER-ENTITY CONSULTATION	
DECLARATION OF INTENT	vi
ACKNOWLEDGEMENTS	viii
ACRONYMS and ABBREVIATIONS	x
EXECUTIVE SUMMARY	xi
Efficiency and Profitability of Agriculture Production	xii
Marketing and Processing of Agricultural Products	xii
Rural Development	xiii
Land Use and Natural Resource Management	xiii
Agriculture Policy and Institutions	xiv
Inter-Entity Trade and Cooperation	xvi
I. INTRODUCTION	1
II. WAR AND RECONSTRUCTION	2
2.1 Losses and Dislocation	2
2.2 The Dayton Accord	3
2.3 The Reconstruction and Recovery Programme	3
III. THE MACRO-ECONOMIC FRAMEWORK	5
3.1 Pre-war Economic Conditions in BiH	5
3.2 The Post-war Recovery of FBiH	5
3.3 Monetary Policy and the Banking System	5
3.4 External Trade	6
3.5 Fiscal Policy	6
3.6 Enterprise Privatization	7
3.7 Implications for Agriculture	8
IV. AGRICULTURAL PRODUCTION	9
4.1 The Natural Resource Base	9
4.2 Farm and Household Characteristics	9
4.3 Crop Production	10
Cereals	10
Forage and Fodder Crops	11
Industrial Crops	11
Vegetables	11
Berry Fruits	11
Fruit	12
Medicinal Plants	12
Viticulture	12
Farm Mechanization	13
4.4 Livestock Production	13
Cattle	13
Sheep and Goats	14
Pigs and Poultry	14
Fish and Honey Production	15
4.5 On-Farm Constraints to Increased Production and Profitability	15
Crop Production	15
Livestock Production	16

V. AGRICULTURAL POLICY	17
5.1 Public Expenditure on Agriculture, Forestry and Water Systems	17
5.2 Post-war Recovery, Re-integration and De-mining.....	17
5.3 Land Policy	19
5.4 Agricultural Trade.....	20
5.5 Agricultural Prices	21
5.6 Public Reserves.....	22
VI. INSTITUTIONAL SUPPORT TO AGRICULTURE	24
6.1 Ministry of Agriculture, Water Management and Forestry	24
6.2 Canton Government	24
6.3 Rural Finance	24
6.4 Land Use	25
6.5 Agricultural Extension, Research and Education	27
Extension.....	27
Research.....	27
Education	28
Linking Education, Research and Extension	28
6.6 Plant Breeding and Seed Supply	29
6.7 Animal Health and Breeding	29
6.8 Agricultural Cooperatives	31
VII. AGRICULTURE MARKETING AND AGRO-PROCESSING	32
7.1 Cereal Products	32
Wheat	32
Maize/Animal Feed	33
7.2 The Dairy Industry	33
7.3 Meat and Wool.....	35
7.4 Fruit and Vegetables	36
7.5 Agricultural Inputs	38
7.6 Common Issues and Constraints.....	39
Credit	39
Privatization	39
Producer Associations.....	39
Market Information	39
Inter-Entity Trade.....	40
State Border Control	40
Training in Business Management	40
VIII. A STRATEGY FOR AGRICULTURE SECTOR DEVELOPMENT	41
8.1 General Strategy Objectives.....	41
8.2 Strategy Design	41
8.3 Efficiency and Profitability of Agriculture Production	42
8.4 Marketing and Processing of Agricultural Products.....	44
8.5 Rural Development	45
8.6 Land Use and Natural Resource Management	46
8.7 Agriculture Policy and Institutions.....	48
8.8 Inter-Entity Trade and Cooperation	52
STRATEGY MATRIX	54