

## How do we define typical farms?

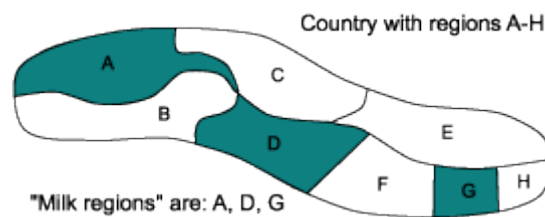


Typical farm models are established separately for each of the product lines within IFCN, e.g. for dairy, arable crops and beef. This does not mean that a typical farm can not be used for more than one IFCN product line, e.g. a typical dairy farm with fattening of its bull calves coming from the dairy herd.

The following example is for a dairy farm:

### Identification of regions for establishment of typical farms

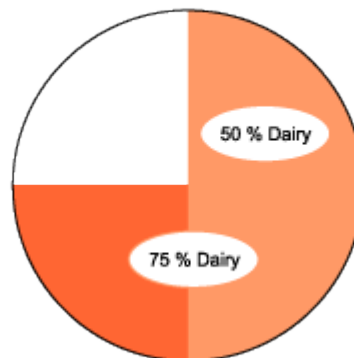
A typical dairy farm represents a significant number of dairy farms in a region in terms of size, forage and crops grown, livestock systems, labour organisation and production technology used. For selection of typical dairy farms, we first identify the region(s) in a country where milk production is most important in terms of volume of production and/or density of dairy cows.



### Specialisation of a dairy farm

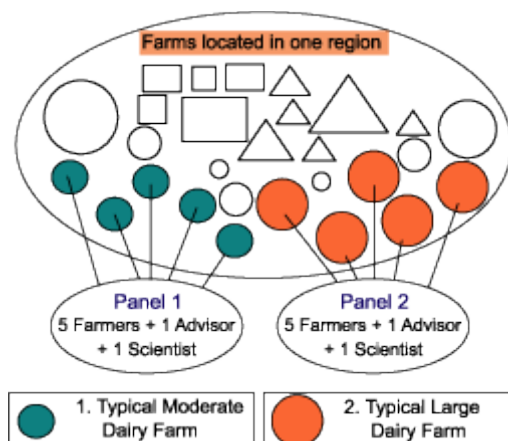
A dairy farm is defined as generating the majority of its income from selling milk, e.g. measured as a percentage of total gross margin. The percentage of milk production in total gross margin should be at least 50 %.

Total Standard Gross Margin (or profit)



### Selection of moderate and large farms

In each region and for each relevant farm type we intend to set up one moderate (average) sized farm and one large farm to represent (a) a significant number of farms, (b) a large amount of production in the area and (c) to capture economies of scale. Size is the most important issue to characterise "typical". For dairy farms and beef farms, we measure size in average dairy cow and beef cattle numbers, for crop farms size is expressed in acreage (ha).



## Size distribution

To assist the definition of appropriate farm sizes IFCN uses regional statistics on farm size distribution. It is obvious that the availability of reliable statistical data is a precondition for this step. Problems occur in parts of Central Europe, in Eastern Europe as well as in some countries in Asia and the Southern Hemisphere.

