

## **MAIN ECONOMIC INDECATORS FOR PRODUCTION AND MARKETING OF LIQUID MILK IN FAYOUM GOVERNORATE**

### **1- Prof. Dr. Abd El Azeem Mohamed Mostafa**

Professor of Agricultural Economic, Faculty of Agriculture , Fayoum University.

### **2- Dr. Mohamed Ahmed Said**

Associate Professor of Agricultural Economic, Faculty of Agriculture, Fayoum University.

### **3- Mahmoud Abd Elsalam Ahmed Mohammed**

Associate lecture of Agricultural Economic, Faculty of Agriculture, Fayoum University.

## **SUMMARY**

The agricultural sector is an important economic sector that is considered a source of income for nearly half of the population in Egypt as it contributed about 13.4% of the total gross domestic product as an average of the period 2000-2006. The animal production is a fundamental part of the agricultural production beside the plant production. The value of the animal production was about L.E. 34.1 billion, representing approximately 34.65% of the total value of the agricultural production as an average of the period 2000-2006. The value of the dairy production belongs to the fact that it represents a big portion of the animal production, where the real gross domestic product of the dairy products was about L.E. 8.06 billion which represents approximately 23.5% of the value of the animal production as an average of the period 2000-2006. The problem of the study is the gap between the local production of dairy production and the total consumption due to the increasing demand. The gap was estimated as 1.3 million tons. The gap resulted a decrease in the average per capita.

The study aims, mainly, at identify the economics of production and marketing of dairy products in Fayoum Governorate. investigate the production efficiency of dairy production in Fayoum governorate, and identify the main problems and constraints facing the dairy farmers in Fayoum Governorate.

### **The study illustrates the following results:**

1-The calculations indicate that the average production of milk per head from the three categories is 1836, 1868, and 1900 kg, respectively. As for the total cost of the head of milking buffalos within the three categories; the costs were estimated at about 3780, 3550, and 3350 L.E, respectively. As for the total income; it has been estimated at about 5200, 5200, and 5500 L.E, respectively. The net revenues/costs ratio for the three categories were estimated as 0,379, 0,465, and 0,641, respectively. As for the cost per production unit; it has been estimated for the three categories as 2.06, 1.9, and 1.76 L.E, respectively.

It, also, been found that the milk production of milking cows from the three categories were about 1400, 1490, and 1550 kg, respectively. As for the total cost of the head of milking cows within the three categories; the costs were estimated at about

3460.3130, 3000 L.E, respectively. As for the total income; it has been estimated at about 4560, 4430, and 4700 L.E, The net revenues/costs ratio for the three categories were estimated as 0,318, 0,415, and 0,567, respectively. As for the cost per production unit; it has been estimated for the three categories as 2.47, 2.1, and 1.94 L.E, respectively

2- The marketing channels of raw milk of both buffalos and cows and the structure of the distribution system within the three categories. The results showed that nearly about 5% of the production is used for feeding calves, about 75% is sold as liquid milk for both wholesalers and retailers and factories. The remaining amount of the production is self-processed at homes. The self-processed products might be sold to consumers or self-consumed. The marketing efficiency of raw buffalos' milk were estimated as 89.1%, 88.3%, and 88.2% for the three categories, respectively. As for cows' raw milk marketing efficiency, it was estimated as 90.8%, 89.3%, and 88.6% for the three categories, respectively.

3- The most important problems facing dairy producers. It has been shown that the most important problems were; the high prices of dry and green fodders, the lack of fodders around the year, the livestock disease infections, and the slaughtering of small females. As for the marketing problems; the study showed that the most important problems of marketing are; the lack of collection centers, monopoly of raw milk purchasing, and the lack of adequate markets.