

**European Union**

**Directorate-General for Agriculture and Rural Development**

**AGRICULTURE IN THE EUROPEAN  
UNION**

***STATISTICAL AND ECONOMIC  
INFORMATION***

***2008***

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## **Foreword**

Each year the Commission publishes a report on the agricultural situation in the European Union. A large part of the report is devoted to statistical information on Community agriculture. This is drawn up on the basis of information from Eurostat and data collected by the Directorate-General for Agriculture and Rural Development.

The statistical information presented here covers a wide range of subjects: the economic situation in agriculture, structures, trade, markets, financial aspects and rural development. An introductory chapter gives an overview of the 2008 agricultural year. It includes a wide range of statistical information on agriculture in the 27 Member States and in the accession Countries for EU membership.

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☐ = New table

Remark: The following tables of *The Agricultural Situation in the European Union – 2007* have not been repeated: 3.6.1.6, 4.7.4.1, 4.8.2.1, 4.17.1.2

## The 2008 Agricultural Year

### General overview

1. The **2008 agricultural year** was marked by a very sharp and remarkable decrease in the prices of many agricultural commodities in the EU and on world markets (after the pronounced price hikes observed in 2007 and at the beginning of 2008). These drops in commodity prices concerned mainly crop and dairy products, while meat prices showed a recovery. The volume of EU crop production increased by 6.2% in 2008 as compared to 2007, while the output volume of the livestock sector grew only by a marginal 0.2%. Agricultural input prices showed a further remarkable increase (+16.3%), mainly due to considerably higher prices for energy and lubricants (+22.1%), fertilisers (+67.1%) and feedstuffs (+19.5%). Reflecting the previously discussed output and input price developments, the first income estimates sent by Member States show a decrease in agricultural income by 4.6% in real terms as compared to 2007 in the European Union as a whole. The actual range by country varies from -25.6% for Belgium to +24.5% for Bulgaria. In 2008, EU agricultural exports in value were made up for 64% by processed final products. The overall value of EU agricultural exports increased strongly by 9.9%, with a remarkable rise in the values of exported commodities (+57.8%). The increase in export value was particularly marked for wheat (grains) (+163.8%), sugar alcohols (+116.0%), fatty acids and alcohols (+109.4%) and soy beans (+103.9%). Export values fell for essential oils (-29.9%), wool and silk (including cocoons) (-18.3%), raw sugar (-16.2%) and, among others, for dairy products (-2.3% for butter and -0.6% for milk, crème, yoghurt, whey). The overall value of agricultural imports in 2008 as compared to 2007 rose by 12.4%. As a result, the deficit of the EU agricultural trade balance increased by 86% to 5 billion € (which amounts to around 5.4% of the value of the total of EU agricultural imports in 2008).
2. Concerning the general **economic situation in the EU**, GDP growth in 2008 is estimated at about +1% (from just below 3% in 2007). GDP is expected to decline by less than 2% in 2009, followed by a gradual recovery in 2010. The deteriorated situation is the result of the impact of the intensified financial crisis and the ensuing global downturn on the real economy. The world economy has entered into the deepest crisis for more than 60 years. Whereas the downturn in the global economy is estimated to have amplified the fall in the prices of many commodities during the second half of 2008, it is expected to continue to weigh heavily over the short-term perspectives of most agricultural sectors in the EU and at global level. While the agricultural sector is generally more resilient to economic crises than other sectors, it is expected to face great challenges, especially in demand growth and farm income, which may continue to exert strong pressure on agricultural prices and trigger significant structural adjustment. Whereas food demand will be directly negatively affected in the higher value-added sectors (especially in the livestock and dairy sectors), the economic crisis should also be felt indirectly in other parts of the agricultural economy: in the arable crop sector through feed demand, in the energy crop sector in the wake of lower oil prices, as well as in the upstream and downstream industries. Inflation pressures on consumer prices continue to ease from earlier heights. Consumer price inflation in 2008 is estimated at 3.3%. In line with this scenario, world

trade growth is also estimated to have gradually decelerated. After a successive devaluation of the US-\$ vis-à-vis the Euro in the first half of 2008, the US-\$ regained around 20% of its value vis-à-vis the Euro in November 2008 as compared to July 2008, before strengthening again in the first quarter of 2009.

### Overview on agricultural markets

3. The area cultivated under **cereals** in 2008/2009 has increased remarkably by 3.7 million ha. This was triggered by the high grain prices of marketing year 2007/2008 and the temporary suspension of the compulsory set aside. In addition, climatic conditions have been very favourable and have led to very high yields for all arable crops, close to the records of 2004/2005. A significant harvest of almost 313 million t of cereals has allowed a recovery of EU stock levels by more than 17 million t at the end of the marketing year.

The total EU-27 cereal area is estimated to stand at 60.5 million ha. This area combined with today's yield estimates would lead to a production close to 313 million t. Average cereal yields are estimated to stand at 5.17 t/ha, an increase of 13.6% in comparison with 2007/2008 (and 0.13 t/ha lower than the record of 2004/2005 of 5.30 t/ha). The average yield would be 6.04 t/ha in the EU-15 and 3.75 t/ha in the EU-12.

Given cereal imports of 10.6 million t, the level of cereal availabilities – taking into account carry-over of stocks - would be at 370.5 million t. Domestic demand would amount to 274.3 million t, with animal feed down by 0.7 million t at 171 million t and bioethanol utilisation up at 6.2 million t.

Total cereal exports are estimated at 29.4 million t. On the basis of these estimates, total cereal ending stocks would increase by 17.3 million t to stand at 66.8 million t. Intervention stocks would amount to 1.5 million t (0.1 million t of soft wheat, 0.7 million t of barley and 0.7 million t of maize).

EU-27 **oilseed** area is estimated at 10.2 million ha. Total oilseed production would stand at 27.0 million t. This would represent an increase of 13.4% in comparison with 2007/2008 when oilseed production reached 23.8 million t. Average oilseed yields would reach 2.63 t/ha, close to the record level of 2004/2005 of 2.68 t/ha.

Protein crop and linseed production would stand at 2.3 million t and 0.1 million t respectively.

4. **Rice** production was at around 1.678 million t (milled equivalent) which means an increase of around 5.9% as compared to the previous marketing year. This increase is the combined effect of the growth of the sown area (from 417 500 ha to 424 400 ha), the development of plant yields (from 6.5 to 6.6 t/ha on average) and the increase of the milling yields (from 60.4 to 61.6% on average).

Rice consumption increased by 4% (from 2.5 million t to 2.6 million t in milled equivalent) compared to the previous year. The production increase did not cover the demand growth, and the EU rice trade deficit increased further.

Milled equivalent rice imports increased from 865 000 t to 1 115 000 t, exports increased from 100 000 t to 127 000 t.

Rice stocks increased by 23% and reached a level of 514 000 t till the end of the year. The year started and ended without public intervention stocks.

Paddy rice prices were above the intervention price level at the beginning of the marketing year (they developed in the range of 140-190% of the intervention price at the start of the year) and - after a continuous increase - reached 400-500% of the intervention price by the end of the marketing year. The same tendency could be detected also for milled rice: EU market price doubled during the marketing year. Although world market prices began to decrease in the last quarter, EU prices remained at relatively high levels.

5. Total **must** production for wine and grape juice in 2008 remained at the very low level of production reached in 2007. Estimates indicate a production of about 173 million hectolitres, of which 165 millions will be vinified.

The market price of **table wines** without geographical indication at producer level is suffering from high stock levels: Spanish red table wines are now marketed at 2.6 € per hectograde (-10% compared to the same period of last year), Italian red table wine at 2.7 € (-25%) whereas French red table wine increased at the end of the year up to 3.55 € (+10%) after a sharp collapse during the summertime (2.85 €). Quotations for white table wines are often based on insufficient volumes to be considered truly representative.

Exports as well as imports of wine have decreased in volume by 2-3%. However exports in value increased by 14% to 6.187 billion €. In combination with the decrease of imports in value (-8%), the trade balance shows a positive result reaching 3.731 billion euros, an increase of 16% compared to 2007.

6. In 2008 as compared to 2007, the production volumes of **fruits and vegetables** in the EU increased by 1.1% and 1.9%, respectively. While fruit prices rose by 5.4%, the prices of vegetables fell by 4.1%.
7. The final figures indicate that in 2007/08 14.47 million tonnes of **sugar** were produced in the Community under quota and an additional 2.47 million tonnes out of quota. According to preliminary estimates production under quota would fall sharply in 2008/09 reflecting the quantities renounced under the temporary restructuring scheme. Quota production is expected to reach 13.13 million tonnes, whereas out of quota production would amount to 2.8 million tonnes. The area sown to sugar beet decreased to 1.46 million ha. Under the temporary restructuring scheme 3.3 million tonnes of sugar quota were renounced. Taking into account the applications submitted for 2009/10, altogether 5.8 million tonnes of sugar, isoglucose and inulin syrup quota have been renounced during the four marketing years 2006/07-2009/10.

Community sugar consumption is usually very stable reflecting the saturation of the market. On the basis of the Community balance sheet the overall sugar and isoglucose consumption is estimated at 16.4 million tonnes.

Overall exports reached 1.23 million tonnes in calendar year 2008, practically all white sugar. Imports amounted to 3.07 million tonnes, including 2.56 million tonnes of raw sugar and 0.51 million tonnes of white sugar. Thus the Community has become a net importer (after its previous status as major net exporter).

The start of the 2008/09 marketing year was marked by the termination of granting export refunds for sugar. In 2008 (similarly as to 2007), no more sugar was offered into intervention. In order to resale the remaining intervention stocks three tenders were opened: a) resale on the Community market; b) resale for export; c) resale for industrial use (i.e. chemical industry). In total 327 000 t of intervention sugar were sold, in particular on the Community market, following the reduction of the reference price on 1 October 2008. At the end of the year, taking into account the quantities reserved for the most deprived people, 40 000 t of sugar were still in intervention.

Under the sugar reform the first reduction of the institutional price took place on 1 October 2008 when the white sugar reference price was cut from 632 € per tonne to 541 € per tonne. The final price level will be reached as from 1 October 2009 when the white sugar reference price will decrease to 404 € per tonne. The sugar market price followed somewhat more gradually the decrease of the reference price and reached about 580-590 € per tonne by the end of 2008.

8. The long-term trend of decreasing **cattle** herds in the EU continued in 2008. Regarding the herd structure in terms of animal categories, a decrease in the relevance of both steers (driven by the developments in Ireland) and slaughter calves (mainly driven by the developments in France, Italy, Poland and Romania) and an increase of the share of beef cows at the expense of dairy cows could be observed. The latter tendency was lately further fuelled by the pronounced profitability fall in the dairy sector and the correspondent year-on-year increase in end-of-the year dairy cow slaughter in 2008, which in turn led to a decrease in cow prices.

Intra and extra-EU live animal trade tended to increase over the last years, but was disrupted in 2007 and 2008 due to trade restrictions imposed in the wake of animal health problems (Blue Tongue Disease).

Reflecting the above discussed cattle herd developments, EU-27 beef and veal production in 2008 is expected to have decreased by 1.8%, resulting from a stronger production decrease in the first months of the year and a catch-up in production particularly in the last quarter of the year, with additional cow slaughter significantly contributing to this development.

Beef and veal imports fell remarkably in 2008 (-30.5%), following the strong decrease of deliveries from Brazil (due to widespread non-compliance with EU traceability regulation there), but also from Argentina (due to Government intervention), while (quantitatively less important) EU imports from Uruguay, Australia and New Zealand increased substantially. However, the overall import value in 2008 was only 12.9% lower than one year before, reflecting a remarkable increase in the unit value of EU-27 beef and veal imports (+25.8%, the increase in the unit value of imports from Brazil expressed in Brazilian Real should be even more pronounced, given the remarkable devaluation of the Brazilian Real vis-à-vis the Euro during the last quarter of 2008).

Clearly breaking the longer-term trend of decreasing EU beef and veal exports, the latter increased by a substantial 41.0% in 2008 as compared to 2007, mainly driven by a surge in exports of frozen beef (increasingly with refunds) to Russia. Not only did the overall export volume increase (+41.0%), also the overall export value increased by a substantial 53.2%, reflecting a rise in the average unit value of EU exports of 9.9%. However, it should be noted that the nearly 30% devaluation of the Russian Rouble

vis-à-vis the Euro which took place during the last quarter of 2008 (and continued in 2009) started to make EU beef even more expensive for Russian buyers, which might also explain the observed remarkable overall up-take of licence applications for refunded exports of +20.7% during the period July-December 2008.

Given the decrease in domestic production and imports as well as the remarkable rise in exports, EU beef prices stayed at relatively high levels throughout the year 2008. The average EU market price for adult male bovines has been oscillating around a value of 322 Euros per 100 kg carcass weight (around 145% of the applicable reference price). However, steer, heifer and, particularly, cow prices have fallen significantly over the last months, reflecting a higher production, decreasing exports and a generally weakening domestic beef and veal demand. The latter is estimated to have fallen by a pronounced 4.1% in 2008 as compared to 2007.

After the remarkable rise in feed prices and other farm costs in the course of 2007, the EU **pig** sector underwent some major structural adjustments, due to reduced profitability. At the end of the year 2007, the overall EU-27 pig herd was 1.4% smaller than one year before, the number of covered sows however went down by 4.9%.

Given these herd developments and considering the accelerated shift of piglet and pig production into bigger, more productive farms, EU pig meat production in 2008 is estimated to have fallen by 1.6% as compared to 2007.

With feed costs remaining relatively high throughout most of the year 2008, pig prices started to visibly reflect the higher production costs and showed a rather strong recovery along their usual seasonal price pattern since early summer 2008, reaching a level of 174 Euros/100 kg in August 2008. However, the following price decrease in autumn 2008 was much more pronounced than originally expected.

The remarkable extent and duration of the observed decrease in EU pig meat prices seems to be influenced by the impact of the ongoing "economic and financial crisis" on domestic and international pig meat demand, on the financing of economic activities (including intra and extra-EU-trade) and on exchange rate developments. Particularly the latter increasingly appear to be a major driving force for downward price pressure on the domestic pig meat market, whose balance is relatively dependent on frictionless EU intra and extra-trade flows. The devaluation of the Russian Rouble and an increasingly restrictive Russian meat import policy, the enhanced competition from North America on the Japanese pig meat market and, particularly, the devaluation of the currencies of major pig meat net importing New Member States are seen to contribute to the fact that domestic pig meat prices have had (and still have) difficulties to recover.

Supported by the provision of export refunds for fresh and frozen carcasses and cuts, EU pig meat exports to third countries (particularly to Russia and Hong Kong/China, but also to Japan) are estimated to have increased by a substantial 29.7% in 2008. However, exports started to weaken at the end of 2008, particularly the EU intra-exports of pig meat from the EU-15 to the EU-N10 showed a major breakdown (triggered by recent purchase power/demand and exchange rate developments in the EU-N10): While the product quantity delivered from the EU-15 to the EU-N10 decreased by a massive 67% in November 2008 as compared to October 2008, the product value fell even stronger (-72%).



EU-27 pig meat imports in 2008 are estimated to have increased by a remarkable 65.1% (the share of imports in domestic consumption would amount to around 0.2%), mainly driven by additional shipments from North America.

Following the reduction in production, the increase in exports and the recent slow-down in domestic demand on a value basis, EU-27 pig meat consumption in 2008 would have decreased by a significant 2.6%, with additional pressure for agricultural pig meat market prices resulting from the general consumer preference shifting towards lower-price marketing channels and price points.

In 2008 as compared to 2007, EU-27 **poultry** meat production increased slightly (+0.8%), rendering poultry the only meat species which showed a positive annual rate of change in terms of domestic output, following a relatively favourable price and demand situation and the possibility of comparably flexible and coordinated production adjustments at sector level.

Poultry meat imports are expected to have decreased by 0.7% in 2008 (however, coming from a rather high import level in 2007), with processed poultry meat and poultry meat preparations successively gaining import market shares at the expense of poultry carcasses; a development, which is also reflected in the increasing unit values of EU-27 poultry meat imports from third countries. While the quantities the EU imported from Brazil fell, imports from Thailand increased in 2008 as compared to 2007.

EU-27 poultry meat exports to third countries are estimated to have increased by 12% in 2008 as compared to 2007, with higher export volumes having been delivered to Saudi Arabia, Ukraine and Benin. After a cut in the refund rates paid, refunded poultry meat exports (mainly to the Middle East) have decreased substantially.

Thanks to an increased availability due to higher domestic production, EU-27 poultry meat consumption is estimated to have remained rather stable in 2008.

In 2008 as compared to 2007, EU-27 sheep meat production is estimated to have decreased by a substantial and unexpected 7.1%, mainly resulting from a considerably lower output recorded in Spain and France, probably resulting from higher mortality and lower productivity rates following the outbreaks of the Blue Tongue disease.

**Sheep** meat prices developed at comparably high levels throughout the year 2008, reflecting a situation of limited supplies. The EU average price of light lamb in 2008 was 6070 Euros/ton carcass weight (+3.6% as compared to 2007), the average price of heavy lamb amounted to 4270 Euros/ton carcass weight (+7.0% as compared to 2007).

Regarding trade, EU-27 sheep meat imports in 2008 increased slightly, with New Zealand (99%), Australia (99%) and Uruguay (98%) nearly fully using their import quotas.

In 2008 as compared to 2007, EU-27 sheep meat consumption is estimated to have fallen by 5.5%, following both tight supplies, relatively high prices and a weakening domestic demand.

9. The dynamic increase of **milk** deliveries observed during January-March 2008 (+2.9% in the EU-27) came to a halt with the start of the new quota year from April with

deliveries at the EU-27 level falling marginally below last year's level for the April-October period (by a modest -0.3%), driven by the sharp decline in German deliveries due to the milk strike in May-June 2008 and lower milk prices paid to producers caused by declining demand for dairy commodities, initially as a result of high commodity prices and followed by worsening macroeconomic conditions. However, EU-10 milk deliveries continued expanding into the new quota year with an increase of 0.9% over the April-October period (versus +1.9% in January-March), mainly driven by expansion in Poland, Estonia and Lithuania. On the other hand, the aggregate in Romania and Bulgaria milk deliveries continued to decline during April-October (by -7.8%), driven by the sharp drop in Bulgarian deliveries as a consequence of insufficient feed supply (due to drought) and lengthy protest by producers against government policies to receive more subsidies despite exhausting the maximum limits of state aid. As a consequence EU milk production is estimated to increase to 148.7 million t in 2008, with a growth of 0.4% in the EU-15 and 0.7% in the EU-12.

EU cow's milk deliveries in the calendar year 2008 are estimated to have increased slightly from 2007 to 133.6 mio t (+0.5%) with a stronger expansion in the EU-12 (+1.3%) versus the EU-15 (+0.4%). This implies that the 2% quota increase decided for the 2008/09 quota year will hardly be utilised at the EU level despite the relatively favourable milk price paid to producers, leading to an even higher level of net deliveries quota undershoot for EU deliveries of around -3.8%. It should be noted that this outlook assumes no relaxation to the strict French quota system and that Germany will not be able to compensate for the loss of milk deliveries during the milk strikes.

The EU-27 dairy herd is estimated at 24 million heads, which corresponds to a slight decline of 0.8% from December 2007. As a consequence of the developments in milk production and herd size the calculated yield per dairy cow displays an increase of 1.3% in 2008 to 6046 kg/dairy cow.

The 2007/08 quota year ended with an aggregate quota-underutilisation of 2.2 million t (or -1.5%), which is around the same level as the previous quota year. Following two years of growing quota but declining quota utilisation, both EU-15 and EU-10 fulfilment rates improved slightly in 2007/08 at -0.6% and -5.3% respectively. On the other hand quota fulfilment in Romania and Bulgaria was very low at -24% (or 0.5 million t).

Based on the current market outlook the 2008/09 quota year would conclude with a net undershoot for EU deliveries quota of 5.4 mio t (or -3.8%) with both EU-15 and EU-12 falling further below their respective quota levels by -3% and -8.3% respectively (driven by the huge decrease in Romania and Bulgaria). While the 2007/08 quota year ended with seven Member States over-fulfilling their respective quotas by an aggregate level of 1.2 million tonnes, the current quota year is projected to conclude with around 430 thousand tonnes subject to surplus levy payments by four Member States, namely Austria, Italy, the Netherlands and Cyprus.

Following the considerable +14.4% increase in calendar year 2007, the annual weighted EU producer price increased further in 2008 by an estimated 9% year-on-year (to 34.8 €/100 kg). The monthly development was less favourable with the average EU producer price displaying a decline since December 2007 and throughout 2008. As input prices remained firm throughout the first semester of 2008, in particular energy, feed and fertilizer prices, the decline in milk prices has put serious pressure on producers' margins in a number of Member States prompting strikes by milk producers.

The latest annual statistics from Eurostat show that EU-27 production of all **cheeses** in dairies stagnated in 2007. The lack of increase (following three years of dynamic expansion) is explainable by the exceptionally high prices of bulk commodities that led to increasing amounts of milk used for the production of butter and SMP. In 2008 a firm EU demand kept cheese prices comfortably above those of bulk commodities, making cheese production more profitable than that of butter/SMP, but even so cheese production expanded by a marginal rate of 0.5% partly due to the drop in German production and the limited growth in consumption, probably as consequence of the high consumer prices.

Extra-EU exports are estimated at 545 thousand t in 2008, a decline of 9% as the growth in domestic use (+0.9%) exceeded that of production. Imports continued their decline in 2008 to an estimated 81 thousand t (-14%).

The market balance for **butter** has come under pressure in 2008 as a marginal (+0.3%) growth in production together with low EU and world demand have led to plummeting butter (EU and world) prices and the accumulation of private stocks, estimated at 121 thousand t (+40 thousand t). Domestic consumption contracted by 0.7% and exports shrunk to 143 thousand t, a significant decline of 32% in the face of lower demand and intense competition from the US and New Zealand.

Despite the near 6% decline in production, the **SMP** market balance also came under increasing pressure in 2008 due to a considerable decline in exports (-19%) and reduced EU demand (-4%) leading to the accumulation of private stocks, estimated at 173 thousand t (+45 thousand t). The weakening exports were due to increased US and Oceania exports at lower prices while reduced EU demand came from the contracting veal sector, buying a higher share of whey instead of SMP in their feed as whey prices decreased earlier and faster than SMP prices in 2008.

**WMP** output increased considerably in 2008 (+11%) driven by the favourable position on the world market during the first semester, prior to the production growth in Oceania, allowing EU exports at an estimated 463 thousand t (+27%).

EU production of **fresh dairy products** in 2008 showed stagnation (+0.1%) with only drinking milk and other fresh products expanding by 0.4% and 1.1% respectively, cream production stagnating and acidified milk output contracting by 1.5% for the first time following years of steady expansion. Per capita consumption declined in both EU-15 (-0.4%) and EU-12 (-1.5%) that can be explained by the high price environment over 2008.

In 2008 the production of **concentrated milk and whey powder** is estimated to have decreased by 1.1%, and 0.3% respectively, while **casein** output increased by 6.2%.

### **Agricultural income**

10. The first estimates of farm income developments in 2008 provided by Eurostat on the basis of information sent by Member States in December 2008 show an average decrease of 4.6% in the income from agricultural activities (measured, in real terms, as the factor income per annual work unit) compared to 2007 for the European Union as a whole. The increase in agricultural income results from a reduction in **agricultural labour input** (-2.1 %), and a fall in **real agricultural income** (-6.3 %). This decrease

in EU-27 **real agricultural income** in 2008 is itself the result of an increase in **agricultural output at basic prices** in real value terms (+4.1 %, mainly reflecting higher output values of animal products (+6.1%) and crop products (+2.9%)), and a remarkable rise in **input costs** (+10.8 %, resulting for the most part from higher prices for fertilisers and soil improvers (+67.1%), energy and lubricants (+22.1%) as well as feedstuffs (+19.5%)). Increases in fixed capital consumption (+2.4%) and taxes (+1.1%) combined with a reduction in the value of subsidies (-1.1%) additionally contributed to higher production costs. Agricultural income per worker in 2008 was below the 2007 levels in **twenty** Member States. The largest decreases were observed in Belgium (-25.6%), Estonia (-22.1%) and Latvia (-17.5 %), while the largest increases were recorded in Bulgaria (+24.5%), Romania (21.4 %) and Hungary (+14.6%).

11. The structural decline in the **agricultural labour force** is assessed at -2.1 % in 2008 as compared to 2007 for the whole EU. This moderate reduction constitutes a marked slow down compared to the early 2000s. The highest reduction in agricultural labour input was recorded in Lithuania (-17.5%), Bulgaria (-10.8 %), Latvia (-6.8%) and Estonia (-5.2%). Agricultural labour input increased only in Poland (+2.2%).

## Changes in nominal farm-gate prices in 2008 and 2007 (%)

Member States	Crop products		Livestock products		Total	
	2008/2007(p)	2007/2006	2008/2007 (p)	2007/2006	2008/2007 (p)	2007/2006
<b>EU-27</b>	3,2	14,2	10,4	3,9	6,5	9,3
<b>Belgique/België</b>	-3,8	4,7	4,6	2,9	1,1	3,6
<b>Bulgaria</b>	12,2	42,9	13,6	6	13,1	20,6
<b>Česká Republika</b>	13,6	32,8	9,4	1,7	10,7	16,8
<b>Danmark</b>	7,0	20,6	13,0	-5,0	11,1	2,2
<b>Deutschland</b>	4,5	12,9	8,7	7,8	6,9	10,0
<b>Eesti</b>	14,3	22,4	17,4	6,0	16,8	8,8
<b>Éire/Ireland</b>	-14,5	21,1	8,5	7,4	3,9	9,9
<b>Elláda</b>	2,0	9,6	4,7	0,2	2,7	7,1
<b>España</b>	7,0	9,3	4,0	1,6	5,9	6,0
<b>France</b>	-0,3	19,0	11,0	2,1	4,4	11,3
<b>Italia</b>	6,1	5,7	6,0	0,8	6,1	3,9
<b>Kypros/Kibris</b>	7,8	5,8	14,8	3,1	10,6	4,7
<b>Latvija</b>	3,6	37,6	3,3	8,3	3,4	19,2
<b>Lietuva</b>	-6,1	25,2	14,3	11,6	1,3	19,9
<b>Luxembourg</b>	3,6	11,6	11,3	7,9	9,6	8,7
<b>Magyarország</b>	-7,7	40,5	13,0	3,6	1,0	22,2
<b>Malta</b>	-1,7	15,8	6,3	2,8	3,9	6,4
<b>Nederland</b>	-7,9	2,9	7,1	7,7	-1,4	5,0
<b>Österreich</b>	4,6	17,6	11,3	2,5	8,8	7,8
<b>Polska</b>	-7,2	20,8	4,7	7,5	-2,0	14,5
<b>Portugal</b>	2,1	4,2	6,1	4,6	3,7	4,4
<b>România</b>	9,7	32,3	14,3	3,8	11,5	19,4
<b>Slovenija</b>	9,8	18,4	12,3	3,1	11,3	8,2
<b>Slovensko</b>	16,3	24,0	8,2	-2,0	10,9	5,4
<b>Suomi/Finland</b>	7,8	18,4	14,6	-0,3	12,1	5,9
<b>Sverige</b>	-2,2	27,4	17,6	4,1	8,7	13,4
<b>United Kingdom</b>	16,3	21,8	27,0	7,1	22,2	13,2

(p) provisional – Source: Eurostat

## Changes in nominal purchase prices for agricultural inputs in 2008 and 2007 (%)

Member States	Énergy and lubricants		Feedingstuffs		Total	
	2008/2007 (p)	2007/2006	2008/2007 (p)	2007/2006	2008/2007 (p)	2007/2006
<b>EU-27</b>	22,1	2,5	19,5	17,5	16,3	7,2
<b>Belgique/België</b>	30,7	4,9	13,7	17,5	15,2	10,5
<b>Bulgaria</b>	5,3	4,6	23,9	23,9	:	:
<b>Česká Republika</b>	14,3	2,2	25,7	17,1	13,8	6,5
<b>Danmark</b>	23,4	0,8	33,7	17,7	20,0	8,6
<b>Deutschland</b>	:	1,1	:	23,9	:	7,1
<b>Eesti</b>	18,3	4,3	22,9	18,3	:	:
<b>Éire/Ireland</b>	18,1	3,6	14,9	13,1	16,7	6,0
<b>Elláda</b>	22,4	2,6	22,3	15,0	15,3	6,3
<b>España</b>	29,4	2,1	21,4	14,3	20,4	5,7
<b>France</b>	30,7	0,7	18,2	15,9	13,6	5,6
<b>Italia</b>	20,5	2,7	14,4	13,1	11,7	7,0
<b>Kypros/Kıbrıs</b>	20,5	0,6	21,8	16,5	15,9	9,7
<b>Latvija</b>	26,7	5,2	14,6	44,2	23,0	11,8
<b>Lietuva</b>	28,0	1,2	22,2	19,3	30,5	:
<b>Luxembourg</b>	22,7	2,2	17,1	22,0	11,5	6,4
<b>Magyarország</b>	19,1	4,0	24,4	33,4	15,4	14,1
<b>Malta</b>	17,6	-4,1	34,7	12,1	22,2	6,3
<b>Nederland</b>	8,7	-1,8	14,4	24,4	8,6	7,7
<b>Österreich</b>	17,2	4,2	18,6	37,5	9,1	6,5
<b>Polska</b>	10,5	4,3	15,1	17,5	11,5	8,0
<b>Portugal</b>	18,9	4,0	14,4	13,9	10,2	7,0
<b>România</b>	:	:	:	:	:	:
<b>Slovenija</b>	21,9	1,7	27,2	26,3	20,1	9,2
<b>Slovensko</b>	16,9	3,5	16,2	15,8	13,6	5,1
<b>Suomi/Finland</b>	17,2	8,6	4,0	22,7	10,7	9,6
<b>Sverige</b>	20,8	-1,0	20,8	21,6	15,0	7,2
<b>United Kingdom</b>	48,0	2,3	27,7	20,6	25,5	8,9

(p) provisional – Source: Eurostat

**Nominal output price indices for agricultural products  
over the 2006–2008 (p) period  
(2000 = 100)**

<b>Member States</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>EU-27</b>	112,2	122,6	130,6
<b>Belgique/België</b>	108,7	112,6	113,8
<b>Bulgaria</b>	104,0	125,4	141,8
<b>Česká Republika</b>	97,3	113,6	125,8
<b>Danmark</b>	98,8	101,0	113,5
<b>Deutschland</b>	107,5	118,2	126,3
<b>Eesti</b>	133,6	145,4	169,8
<b>Éire/Ireland</b>	107,4	118,0	122,6
<b>Elláda</b>	133,2	142,6	146,5
<b>España</b>	109,2	115,8	122,6
<b>France</b>	102,3	113,9	118,9
<b>Italia</b>	109,0	113,3	120,2
<b>Kypros/Kıbrıs</b>	128,7	134,7	149,0
<b>Latvija</b>	147,1	175,3	181,3
<b>Lietuva</b>	137,3	164,6	166,8
<b>Luxembourg</b>	104,9	114,0	124,9
<b>Magyarország</b>	116,3	142,1	143,5
<b>Malta</b>	97,2	103,4	107,4
<b>Nederland</b>	112,4	118,0	116,4
<b>Österreich</b>	107,8	116,2	126,6
<b>Polska</b>	111,5	127,7	125,2
<b>Portugal</b>	113,3	118,3	122,7
<b>România</b>	236,2	282,0	314,5
<b>Slovenija</b>	118,9	128,6	143,2
<b>Slovensko</b>	101,1	106,6	118,2
<b>Suomi/Finland</b>	103,2	109,3	122,5
<b>Sverige</b>	101,5	115,1	125,1
<b>United Kingdom</b>	114,2	129,3	158,0

(p) provisional – Source: Eurostat

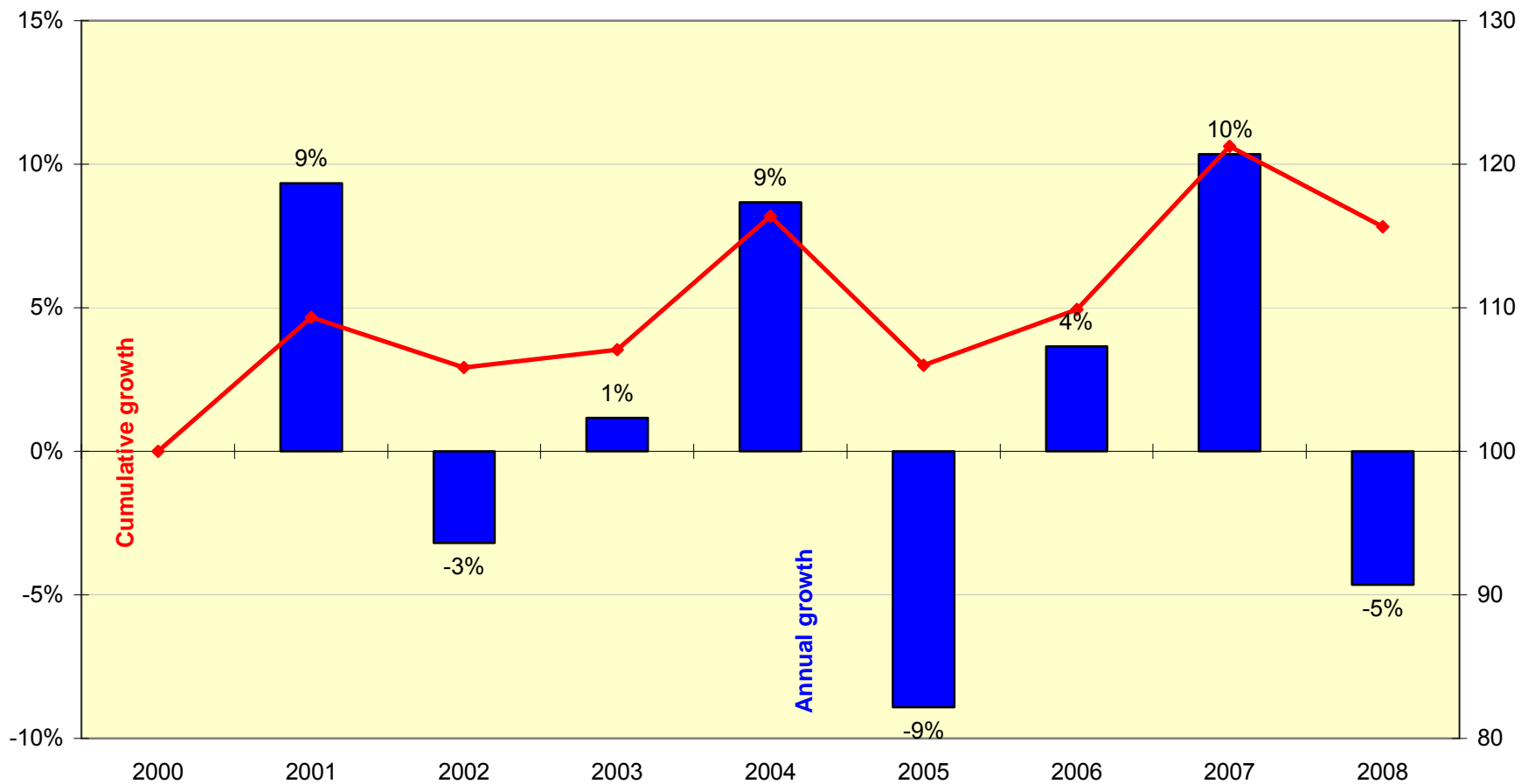
**Indices of nominal purchase prices for goods and services currently consumed  
in agriculture over the 2006–2008 (p) period (2000 = 100)**

<b>Member States</b>	<b>2006</b>	<b>2007</b>	<b>2008</b>
<b>EU-27</b>	116,4	124,8	145,1
<b>Belgique/België</b>	112,8	124,7	143,7
<b>Bulgaria</b>	:	:	:
<b>Česká Republika</b>	108,6	115,7	131,7
<b>Danmark</b>	112,6	122,3	146,8
<b>Deutschland</b>	111,2	119,1	:
<b>Eesti</b>	:	:	:
<b>Éire/Ireland</b>	121,7	129	150,6
<b>Elláda</b>	128,2	136,3	157,1
<b>España</b>	115,0	121,6	146,4
<b>France</b>	114,0	120,4	136,8
<b>Italia</b>	115,3	123,4	137,8
<b>Kypros/Kıbrıs</b>	157,3	172,5	200
<b>Latvija</b>	147,8	165,2	203,2
<b>Lietuva</b>	:	:	156,2
<b>Luxembourg</b>	111,9	119,1	132,8
<b>Magyarország</b>	136,7	156,0	180,1
<b>Malta</b>	108,7	115,5	139,6
<b>Nederland</b>	119,0	128,2	139,2
<b>Österreich</b>	111,4	118,6	129,4
<b>Polska</b>	124,0	133,9	149,3
<b>Portugal</b>	115,5	123,6	136,2
<b>România</b>	:	:	:
<b>Slovenija</b>	138,2	150,9	181,3
<b>Slovensko</b>	122,5	128,7	146,2
<b>Suomi/Finland</b>	116,1	127,2	140,8
<b>Sverige</b>	119,0	127,6	146,7
<b>United Kingdom</b>	119,6	130,2	163,5

(p) provisional – Source: Eurostat

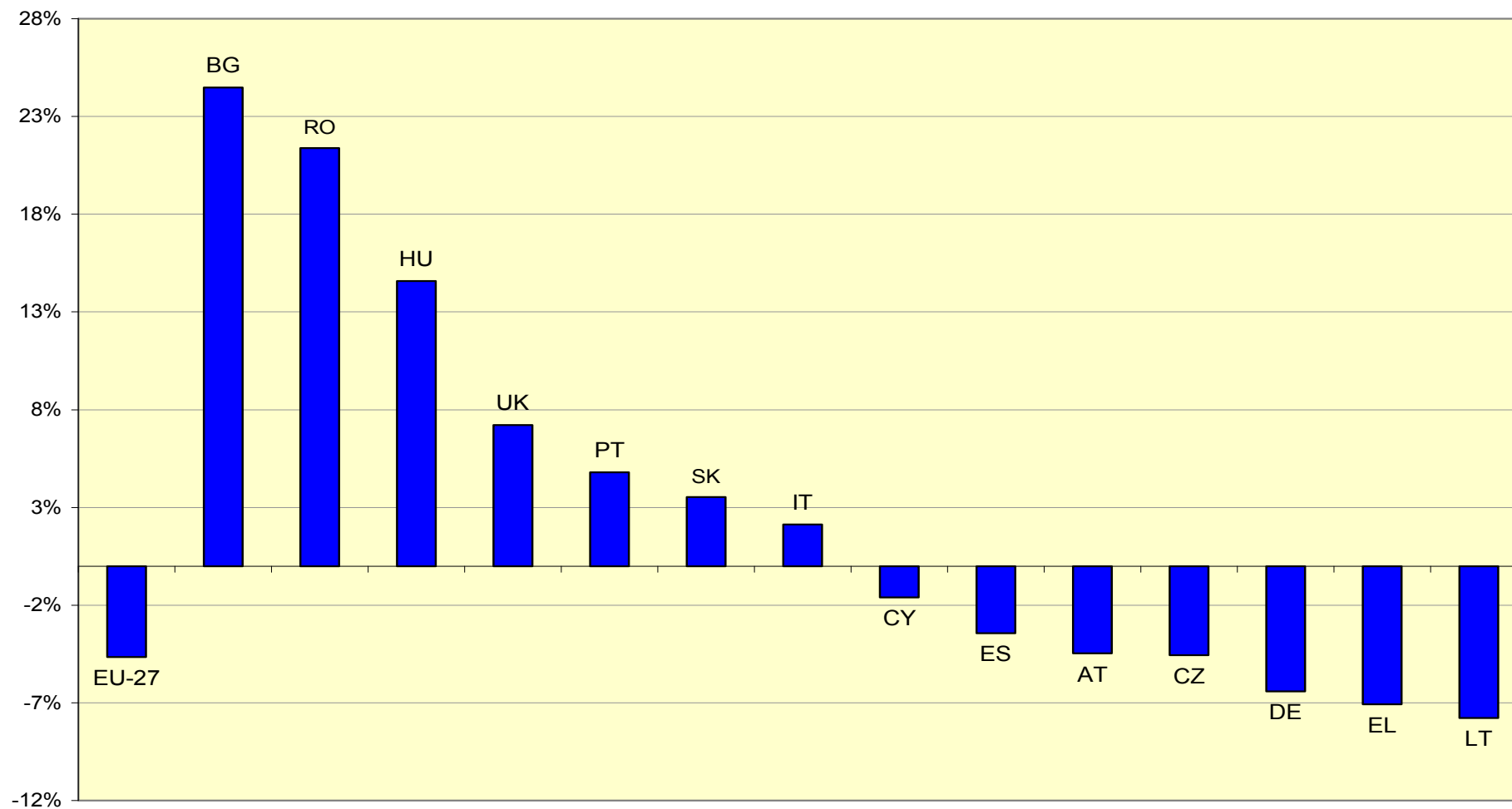


**Development of the agricultural income in the EU-27  
over the 2000–2008 (p) period, in terms of annual change (%) and cumulative growth (2000=100)**



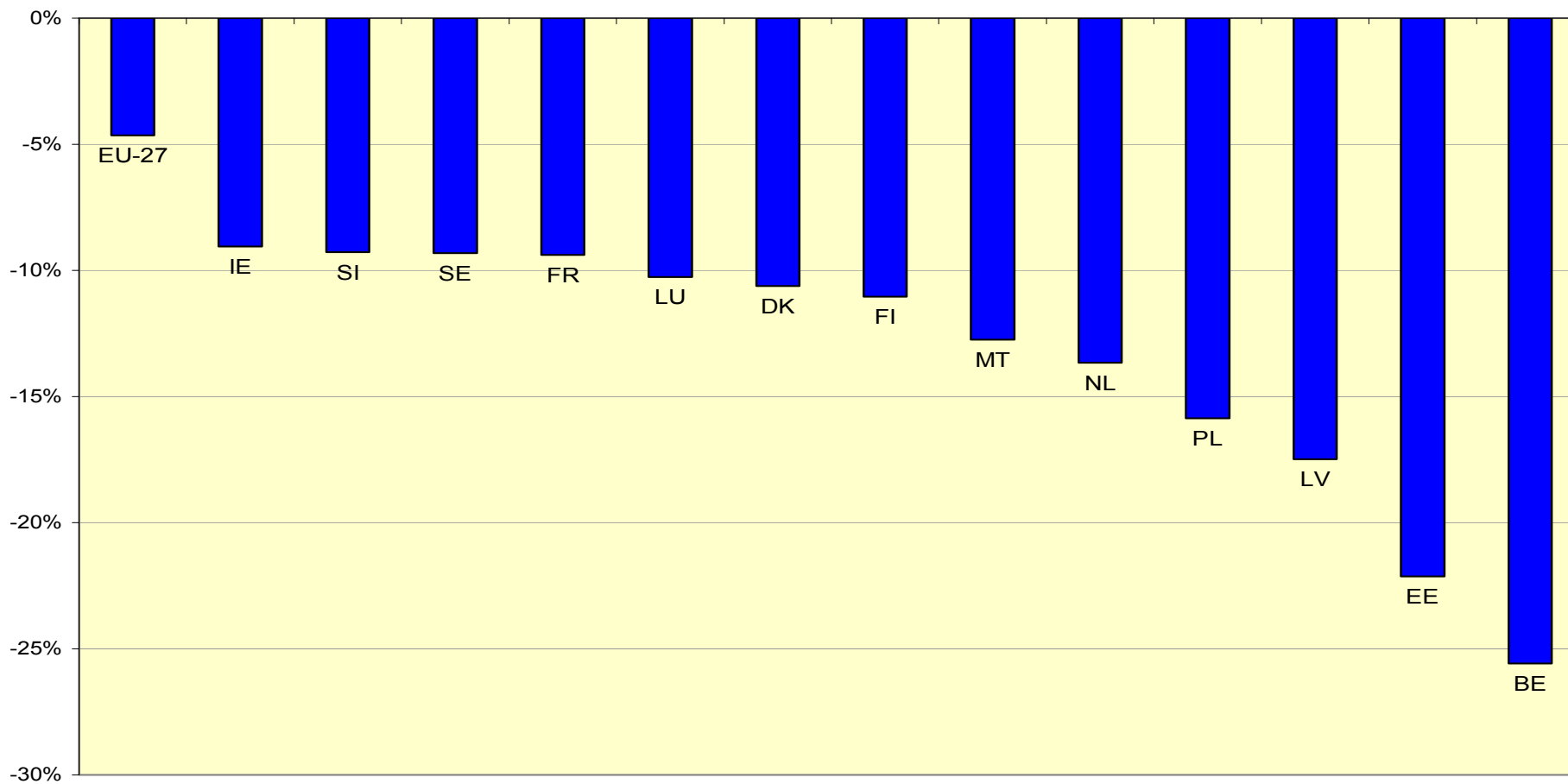
(p) provisional – Source: Eurostat

Agricultural income in the EU-27 Member States in 2008 (p) (% change versus 2007) 1<sup>st</sup> part



(p) provisional – Source: Eurostat

Development of agricultural income in the EU-27 Member States in 2008(p) (% change versus 2007) 2<sup>nd</sup> part



(p)provisional Source: Eurostat

**Development of agricultural income in the EU Member States  
over the 2002–2008(p) period (average 2000 = 100)**

<b>Member States</b>	<b>2002</b>	<b>2003</b>	<b>2004</b>	<b>2005</b>	<b>2006</b>	<b>2007</b>	<b>2008 (p)</b>
<b>EU-27</b>	105,4	106,2	:	106,0	109,5	122,9	117,2
<b>Belgique/België</b>	128,9	91,8	93,9	96,9	78,2	114,6	85,3
<b>Bulgaria</b>	89,9	84,6	:	97,9	94,0	96,4	120,1
<b>Česká Republika</b>	99,6	87,3	137,5	152,2	155,6	197,0	188,0
<b>Danmark</b>	85,5	83,7	94,2	93,6	100,7	108,4	96,9
<b>Deutschland</b>	91,9	84,6	122,7	111,1	116,4	139,7	130,7
<b>Eesti</b>	128,5	136,5	229,4	248,4	232,6	327,1	254,7
<b>Éire/Ireland</b>	96,8	89,2	84,1	85,7	84,8	85,7	79,6
<b>Elláda</b>	104,5	118,1	108,6	95,9	95,5	102,5	99,0
<b>España</b>	97,7	95,8	94,4	89,7	99,0	109,6	99,4
<b>France</b>	82,7	79,3	83,9	100,1	88,1	102,4	93,1
<b>Italia</b>	96,5	96,8	97,3	85,1	82,0	79,8	81,5
<b>Kypros/Kıbrıs</b>	112,8	103,8	94,1	93,6	95,9	100,8	99,2
<b>Latvija</b>	127,7	140,0	233,2	243,0	317,8	347,6	286,8
<b>Lietuva</b>	85,9	96,5	152,6	190,0	177,8	303,2	279,6
<b>Luxembourg</b>	101,1	95,0	94,9	95,6	92,6	102,5	92,0
<b>Magyarország</b>	91,0	91,7	144,6	145,5	162,6	174,7	200,1
<b>Malta</b>	112,0	106,3	110,9	107,8	107,5	101,7	88,8
<b>Nederland</b>	79,6	85,5	79,5	78,7	94,0	92,1	79,5
<b>Österreich</b>	108,4	107,3	112,6	109,8	119,0	133,9	127,9
<b>Polska</b>	103,9	96,0	180,8	164,1	181,1	226,5	190,6
<b>Portugal</b>	102,4	103,4	114,3	105,0	109,6	105,1	110,1
<b>România</b>	159,2	179,9	261,1	148,9	147,9	117,3	142,4
<b>Slovenija</b>	114,5	90,2	139,1	139,8	136,3	148,6	134,8
<b>Slovensko</b>	107,5	100,5	130,1	121,3	148,0	156,3	161,8
<b>Suomi/Finland</b>	97,6	103,8	101,5	114,7	110,4	123,5	109,9
<b>Sverige</b>	118,5	117,3	101,5	109,0	116,5	137,1	124,3
<b>United Kingdom</b>	117,3	133,7	125,4	122,6	130,3	138,4	148,4

(p) provisional, - Source: Eurostat

**Statistical and economic  
information**

## Codification of the tables

The choices made for the revision of the tables are reflected in a new codification, established on the basis of the same principle for all the tables. Each of them has been given a code with four digits, the first of which designates the subject to which the table refers (see table of contents following this foreword):

1. Conversion rates,
2. Basic data,
3. Economic tables,
4. Tables on agricultural markets.

The second and third digits refer to specific aspects of the field concerned and their significance varies from one field to another.

For the tables concerning the agricultural markets (Tables 4) a standard codification for all the products has been used for these two digits:

- (i) the second digit of the code designates the agricultural product concerned,
- (ii) the third digit refers to the nature of the statistic presented:
  - .–.0.– livestock numbers,
  - .–.1.– area, yields and production (crop products) or slaughterings and production (livestock products),
  - .–.2.– world production,
  - .–.3.– external trade,
  - .–.4.– supply balance,
  - .–.5.– prices (producer prices, market prices, consumer prices),
  - .–.6.– market management,
  - .–.9.– various.

For certain sectors, all the possibilities are used (e.g. cereals). For other products only some are used (e.g. potatoes), either because the data needed are not available or because the features of these sectors in the EU do not justify such an exhaustive presentation in a general document such as this, which, for considerations of space, can provide only the most important information.

**Key to symbols, names and abbreviations****Statistical symbols**

–	Nil
0	Less than half a unit
x	Not applicable
:	Not available
#	Uncertain
p	Provisional
*	Eurostat estimate
**	European Commission estimate, Directorate-General for Agriculture and Rural Development
r	Revised
s	Secret
□	Average
»2000«	□ (1999, 2000, 2001)
2000/01	Marketing year, starting in 2000 and ending in 2001
%	Percentage
% TAV	Annual rate of change (%)

**Units***– Currency*

EUR	Euro	LTL	Lithuanian litas
ECU	European currency unit	LUF	Luxembourg franc
USD	US dollar	HUF	Hungarian forint
NC	National currency	MTL	Malta lira
BEF	Belgian franc	NLG	Dutch guilder
BGN	New Bulgarian lev	ATS	Austrian schilling
CZK	Czech koruna	PLN	New polish zloty
DKK	Danish crown	PTE	Portuguese escudo
DEM	German mark	RON	Romanian leu
EEK	Estonian kroon	SIT	Slovenian tolar
IEP	Irish pound	SKK	Slovak koruna
GRD	Greek drachma	FIM	Finnish markka
ESP	Spanish peseta	SEK	Swedish crown
FRF	French franc	GBP	Pound sterling
ITL	Italian lira	HRK	Kuna (Croatia)
CYP	Cyprus pound	MKD	Denar (Macedonia)
LVL	Latvian lats	TRY	New Turkish lira

**Geographical abbreviations**

EU	European Union
EU- 9	Total of the Member States of the EC (1980)
EU- 10	Total of the Member States of the EC (1981)
EU- 12	Total of the Member States of the EC (1986)
EU- 15	Total of the Member States of the EU (1995)
EU- 25	Total of the Member States of the EU (01 May 2004)
EU- 27	Total of the Member States of the EU (2007)
BLEU/UEBL	Belgo-Luxembourg Economic Union
DOM	French overseas departments
ACP	African, Caribbean and Pacific countries party to the Lomé Convention
PTOM	Countries and overseas territories of Member States of the EU

**List of Countries*****-Member States***

Belgique/belgië	Belgium	Luxembourg	Luxembourg
Bulgaria	Bulgaria	Magyarország	Hungary
Česká republika	Czech Republic	Malta	Malta
Danmark	Denmark	Nederland	Netherlands
Deutschland	Germany	Österreich	Austria
Eesti	Estonia	Polska	Poland
Éire/Irlande	Ireland	Portugal	Portugal
Elláda	Greece	România	Romania
España	Spain	Slovenija	Slovenia
France	France	Slovensko	Slovakia
Italia	Italy	Suomi/Finland	Finland
Kypros/Kibris	Cyprus	Sverige	Sweden
Latvija	Latvia	United Kingdom	United Kingdom
Lietuva	Lithuania		

***-Candidate Countries***

Hrvatska	Croatia	Türkiye	Turkey
P J R Makedonija	Y R of Macedonia		

—



**– Other units**

cif	Cost, insurance, freight
VAT	Value-added tax
Bn	Thousand million
Mio	Million
t	Tonne
kg	Kilogram
hl	Hectolitre
l	Litre
ha	Hectare
UAA	Utilized agricultural area
LU	Livestock unit
ESU	European size unit
FU	Fodder unit
AWU	Annual work unit
TF	Type of farming
PPS	Purchasing power standard
NUTS	Nomenclature of territorial units for statistics

**Sources**

Eurostat	Statistical Office of the European Communities
SITC	Standard international trade classification (Eurostat)
Nimexe	Nomenclature of produce for the EU's external trade statistics and trade between its Member States (Eurostat)
ESA	European system of integrated economic accounts (Eurostat)
FADN	Farm accountancy data network (European Commission, Directorate-General for Agriculture)
OECD	Organization for Economic Cooperation and Development
FAO	Food and Agriculture Organization of the United Nations
UNRWA	United Nations Relief and Works Agency
IMF	International Monetary Fund
GATT	General Agreement on Tariffs and Trade
Fefac	European Federation of Manufacturers of Compound Feedingstuffs
Fediol	Federation of Seed Crushers and Oil Processors in the EU
AIMA	Intervention Agency for the Agricultural Markets (Italy)
USDA	United States Department of Agriculture
WTO	World Trade Organisation
ISAAA	International Service for the Acquisition of Agri-biotech Applications

## Currency units used in this report

### 1. European Monetary System (EMS) – ecu

Entry into force of the EMS on 13 March 1979 (Regulations (EEC) No 3180/78 and No 3181/78 of 18 December 1978) brought in the ecu as sole unit of account for the Community. Its definition is identical to that of its predecessor the EUA except for a review clause allowing changes in its composition. The ecu is a currency unit of the 'asket' type made up of specified amounts of currencies of the EMS member countries determined mainly on the basis of the economic size of each. It is defined by Council Regulation (EC) No 3320/94. The central rates used in this system are rates set by the central banks around which the market rates of the EMS currencies may fluctuate within spot margins.

### 2. The ecu in the common agricultural policy

- Before 9 April 1979, the unit of account used in the agricultural sector was the u.a. defined by Regulation (EEC) No 129/62 and the representative rates (green rates) were fixed by the Council.
- On 9 April, the ecu began to be used in the CAP (Regulation (EEC) No 652/79) and is still being used (Regulation (EEC) No 3813/92).
- On the changeover from the u.a. to the ecu on 9 April 1979 common agricultural prices and amounts expressed in u.a. and converted into ecus were adjusted by the coefficient 1,208953. The green rates were however adjusted by the reciprocal coefficient 1/1,208953, leaving national price levels unchanged. For example, 100 u.a.  $\square$  3,40 = DEM 340 because ECU 121  $\square$  2,81 = DEM 340.
- For the recording of world market prices, offer prices are converted at the representative market rate, which is an average of the rates recorded on the market. The common agricultural prices and amounts are set in ecus and converted into national currency at the agricultural conversion rates.
- Since 1 January 1993 these have been adjusted by the Commission whenever their divergence from representative market rates exceeds specified margins.
- Between the beginning of the 1984/85 marketing year and 31 January 1995 all conversion rates used for agriculture were multiplied by a correcting factor under the 'switchover' mechanism the effect of which was to express the common agricultural prices and amounts in a unit of account derived from the ecu, the 'green ecu'. This correcting factor, originally 1,033651, was increased in line with the revaluation of the EMS currency appreciating most among those observing all the rules. On abolition it was 1,207509. As on the changeover from the u.a. to the ecu in 1979 common agricultural prices and amounts were increased in ecus by a factor of 1,207509 on 1 February 1995 and all conversion rates used in agriculture reduced by a factor of 1/1,207509 so making the operation neutral in national currency terms.

### 3. Introduction of the euro

On 1 January 1999, the currencies of the 11 Member States adopting the single currency were replaced by the euro but, during the transitional period until the end of 2001, units of national currency will continue to be used as subdivision of the euro. Series in ecus have been left unchanged as far as the past is concerned but are expressed in euros from 1 January 1999. Series in euro are the statistical continuation of series in ecus.

#### Fixed conversion rates of the euro

The conversion rates irrevocably fixed between the euro and the currencies of the Member States adopting the euro are:

EUR 1	=	40,3399	Belgian francs	
	=	1,95583	German marks	
	=	166,386	Spanish pesetas	
	=	6,55957	French francs	
	=	0,787564	Irish pounds	
	=	1936,27	Italian lire	
	=	40,3399	Luxembourg francs	
	=	2,20371	Dutch guilders	
	=	13,7603	Austrian schillings	
	=	200,482	Portuguese escudos	
	=	5,94573	Finnish marks	
	=	340,750	Greek drachmas	(On 1 <sup>st</sup> January 2001)
	=	239,640	Tolar (pl. tolars)	(On 1 <sup>st</sup> January 2007)
	=	0,58274	Cyprus pound	(On 1 <sup>st</sup> January 2008)
	=	0,429300	Maltese lira	(On 1 <sup>st</sup> January 2008)
	=	30,1260	Slovak koruna	(On 1 <sup>st</sup> January 2009)

According to context, different currency units have been used in this publication. The statistical series in terms of value are also calculated:

- at constant exchange rates, i.e. at the exchange rates obtaining during a specific period (e.g. 1980). These rates are used to eliminate the influences of exchange-rate changes on a time series;
- at current exchange rates (notably for external trade).

To assist the user of this publication wishing to convert units of account into national currencies and conversely, Table 1.0.1, gives the rates to be used. Fuller information is given in specialized publications of the European Commission.

**Observations on statistical method****A – Statistics on external trade – explanatory note**

Council Regulation (EEC) No 1736/75, of 24 June 1975, on the external trade statistics of the Community and statistics of trade between Member States, includes provisions to ensure that data are not recorded twice:

- (i) when goods from a non-member country are first brought into a Member State, that Member State must record the import according to the origin of the goods;
- (ii) if the goods are then subject to a legal operation (for example clearance for consumption) and subsequently imported into another Member State, the latter must record the goods according to the Member State from which they were received.

However, to satisfy national requirements, the Member States may, if they wish, operate in parallel with the above system the arrangements they applied previously; this means that a Member State's national data may be substantially different from the data supplied by Community sources.

For the calculation of the intra-Community trade of the Community as a whole in the supply balances, there were two possibilities: the sum of the Member States' intra-Community exports (calculation on the basis of goods leaving) or the sum of the Member States' intra-Community imports (calculation on the basis of entries). Eurostat has chosen the second alternative. Also, exports to non-member countries in the supply balances of the Community as a whole are calculated by deducting intra-Community trade from Member States' total exports.

As a result, there may be discrepancies between the external trade data given in the supply balances and those given in the specific external trade tables.

Users must also allow for a break in the series of Community external trade statistics in 1977, the date on which Regulation (EEC) No 1736/75 entered into force.

A last point is that, while the data relating to the external trade of the Community of Twelve from reference year 1985 use the same source for all the Member States (Community statistics), those which refer to a previous period may have been obtained from the Community statistics for the Community of Ten and from other sources for the new Member States.

## **B – Definition of Agricultural Products for External Trade Statistics**

Agricultural products are defined as follows:

Chapters 1 – 24 of the Combined Nomenclature excluding fish and fish products:

- chapter 03 fish and crustaceans, molluscs and other aquatic invertebrates
- 0511 91 90 products of fish and crustaceans, .....
- 1604 prepared fish; caviar, and caviar substitutes prepared from fish eggs
- 1605 prepared crustaceans, molluscs, and other aquatic invertebrates
- 1902 20 10 stuffed pasta, containing >20% fish, crustaceans, ...
- 2301 20 flours, meals and pellets of fish or crustaceans, ...

adding the following products outside the Chapters 1 to 24. (“Other products covered by the Uruguay Round Agreement”):

- 2905 43 mannitol
- 2905 44 D-glucitol (sorbitol)
- 2905 45 glycerol
- 3301 essential oils
- ex 3302 10 preps containing flavouring agents for beverages
- 3301 to 3305 albuminoidal substances, modified starches, glues
- 3809 10 finishing agents
- 3823 11 stearic acid
- 3823 12 oleic acid
- 3823 13 tall oil fatty acids
- 3823 19 other
- 3823 70 industrial fatty acids
- 3824 60 sorbitol n.e.p.
- 4101 to 4103 hides and skins
- 4301 raw furskins
- 5001 to 5003 raw silk and silk waste
- 5101 to 5103 wool and animal hair
- 5201 to 5203 raw cotton, waste and carded or combed cotton
- 5301 raw flax
- 5302 raw hemp

**C - Economic Accounts for Agriculture (EAA): implementation of a new methodology**

1. The Economic Accounts for Agriculture are drawn up according to a new methodology, which was published in the "Manual on Economic Accounts for Agriculture and Forestry EAA/EAF (Rev. 1.1)" (EUROSTAT, 2000, ISBN 92-828-2996-0).
2. The introduction of the new methodology has resulted in a number of changes in the data, as a result both of the change in the methodology itself and of the use of new data sources. Some of the changes have had a direct impact on value added and thus on the measurement of agricultural incomes, whereas others have altered only the level of certain aggregates without, however, affecting value added and the measures of agricultural income.
3. The following methodological revisions affecting the measures of agricultural income can be noted:
  - a. The recording of secondary, non-agricultural activities of agricultural units where these activities cannot be separated from the main agricultural activity. This mainly concerns the processing of agricultural products and agri-tourism.
  - b. The exclusion of the output of units producing solely for own-final consumption (e.g. kitchen gardens).
  - c. The exclusion of upstream and downstream production activity involved in seed multiplication.
  - d. The recording of the output of wine and olive oil (from grapes and olives produced on the holding).
  - e. The recording of various operations according to the principle of rights and obligations, meaning that the amounts are recorded during the year in which the claim or obligation, in the economic sense of the term, is created, transformed or removed. For example, the value of subsidies recorded in the accounts for year n corresponds to aid granted in year n even if all or part of the payment takes place in year n+1 or at a later date.
  - f. The reclassification of certain agricultural aid which used to be classed as "operating subsidies" and which will now be recorded as "capital transfers". The value of this aid will no longer enter into the calculation of income.
4. Revisions which have had no impact on the measurement of income (all things being equal) concern:
  - a. The valuation of output at basic prices. The basic price is defined as the price received by the producer, after deduction of all taxes on products but including all subsidies on products.
  - b. The abandonment of the concept of national farm: besides production sold, stocked or for own-consumption by agricultural units, the production of the agricultural industry will now include a part of output used as intermediate consumption by the same unit (for example, grain or forage used in animal feed).

**D – Annual rate of change (% TAV)**

1. The annual rate of change (symbol: % TAV) is used throughout this report for the calculation over periods of time of changes in a given aggregate. It measures the compound annual average increase or reduction, as a percentage, of the variable concerned from a base year

(T in the following equations).

2. The annual rate of change is calculated as follows:

$$100 \times \text{Anti-Log} \left[ \text{Log} \frac{(\text{statistic for year } T + N)}{(\text{statistic for year } T)} : N \right] - 100 = \% \text{ TAV}$$

Where the annual rate of change is calculated over only two successive years, N = 1 and the formula becomes:

$$100 \times \left[ \frac{\text{statistic for year } T + 1}{\text{statistic for year } T} \right] - 100 = \% \text{ TAV}$$

3. The following series illustrates the use of this formula:

Series =	1990 100 000	1991 ... 112 000	1995 161 051	1996 177 156
	<u>1991</u>	<u>1995</u>	<u>1996</u>	
	1990	1990	1995	
% TAV	12,0	10,0	10,0	

## Remarks

1. From 1991 data for the former German Democratic Republic are included in the figures for the Federal Republic of Germany and accordingly in the figures for the EU as a whole.
2. Present report was based on data available on 29/01/2009.
3. From 1 January 1997 statistics for France and Spain have been amended to include the French overseas departments (Guadeloupe, French Guiana, Martinique and Réunion) and the Canary Islands respectively.
4. Data on the Candidate Countries are gradually included in our tables. These data are mostly based on the figures provided by Eurostat and the Directorate-General for Agriculture and Rural Development. The process of harmonising the national statistics in the candidate countries is under way. The figures provided are therefore not fully comparable with the figures for the European Union and are expected to be revised frequently. We are publishing them for information only. The Commission cannot be held responsible for how the figures given for these countries are used or interpreted.