

Economic Accounts for Agriculture 2017

1st estimate

Agricultural income is expected to decrease 2.4% in 2017

According to the first estimate on Economic Accounts for Agriculture (EAA) for 2017, the income from Agricultural activity in Portugal, in real terms, per annual working unit (AWU), is expected to decrease 2.4%, after a 17.5% increase in 2016. This decrease was determined by the significant reduction of Other subsidies on production (-25.4%), since Gross value added (GVA) augmented 4.5% (reduction of 1.5% in 2016).

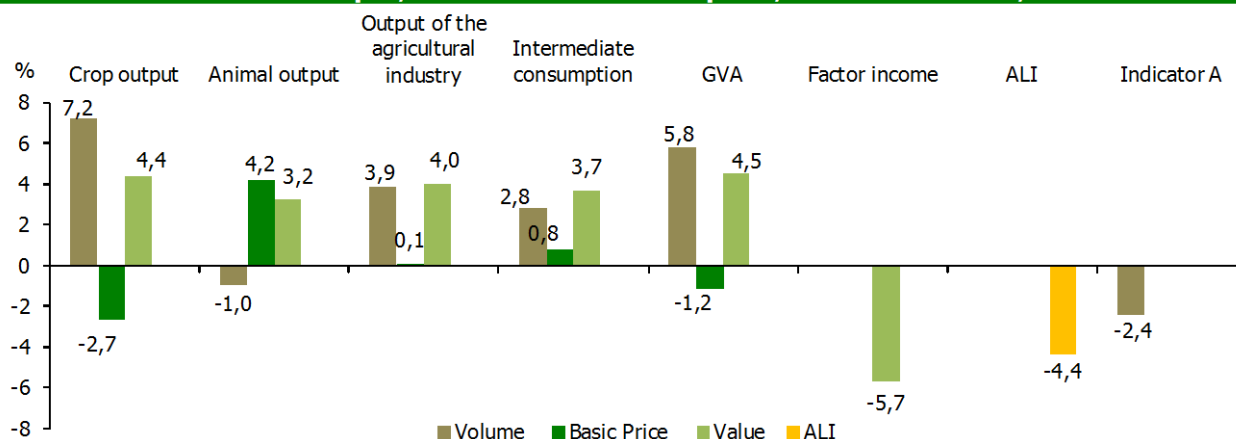
Statistics Portugal releases the first estimate of the Economic Accounts for Agriculture (EAA) for the year 2017. In accordance with the EAA Regulation, until January 31st, 2018, a second estimate for the year 2017 will be released and made available in Statistics Portugal website, in National Accounts dissemination area (section of satellite accounts).

1. Main results for 2017

The agricultural activity in Portugal, during 2017, is expected to generate a decrease of Income per work unit (AWU), in real terms, by 2.4%, after a growth of 17.5% in 2016. Despite the increase in Gross value added (GVA) (+4.5%) (reduction of 1.5% in 2016) and the estimated reduction in the Agricultural labour input (ALI) (-4.4%), the considerable decrease of Other subsidies on production (-25.4%), compared to the significant amount paid in 2016, cause this decrease in agricultural income.

For the nominal increase in GVA (+4.5%) contributed the positive evolution of Agricultural output (+4.0%) and of Intermediate Consumption (+3.7%). In real terms, GVA is expected to increase by 5.8%.

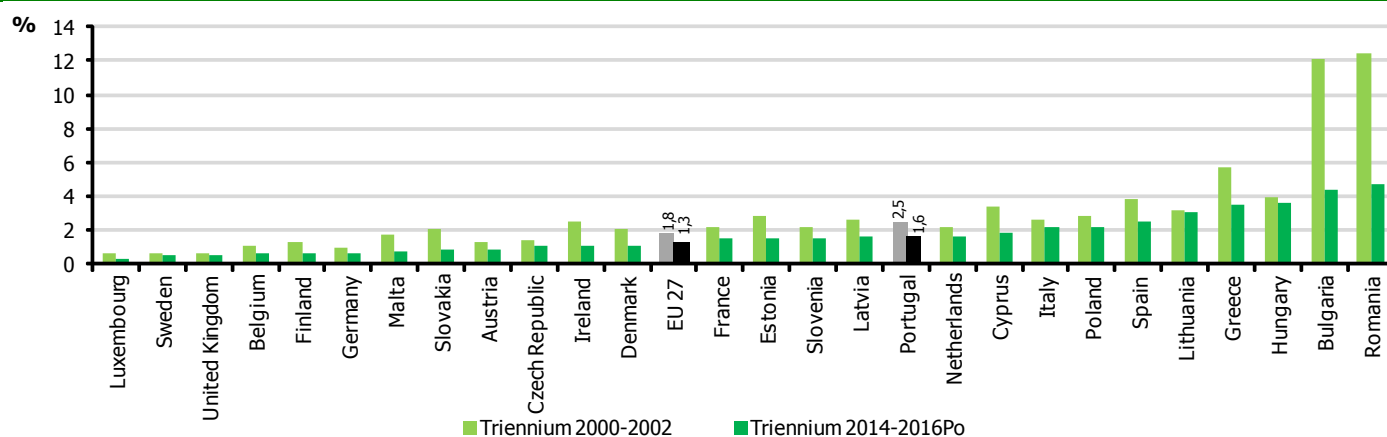
Evolution of Output, Intermediate consumption, GVA and Income, in 2017



2. International comparisons

In general, when comparing the relative weight of agricultural GVA in national GVA, between the periods 2000-2002 and 2014-2016, for the different Member States^[1], it is observed a higher importance of agriculture in the national economy than in the EU^[2]. As in most countries, relative weight declined between those trienniums.

Agricultural GVA / National GVA (average of three-year periods 2000-2002 and 2014-2016Po)



Regarding the income of agricultural activity per Annual working unit (AWU), between the periods 2001-2003 and 2014-2016Po, the income of agricultural activity in Portugal evolved less favourably (+24.2%) than the average of the Member States (+36.0%), although more favorably than in Mediterranean countries, such as France, Spain, Italy and Greece.

^[1] Information from EAA and national GVA of the Member States was extracted from Eurostat database on 11th December 2017, last update on 15th November 2017.

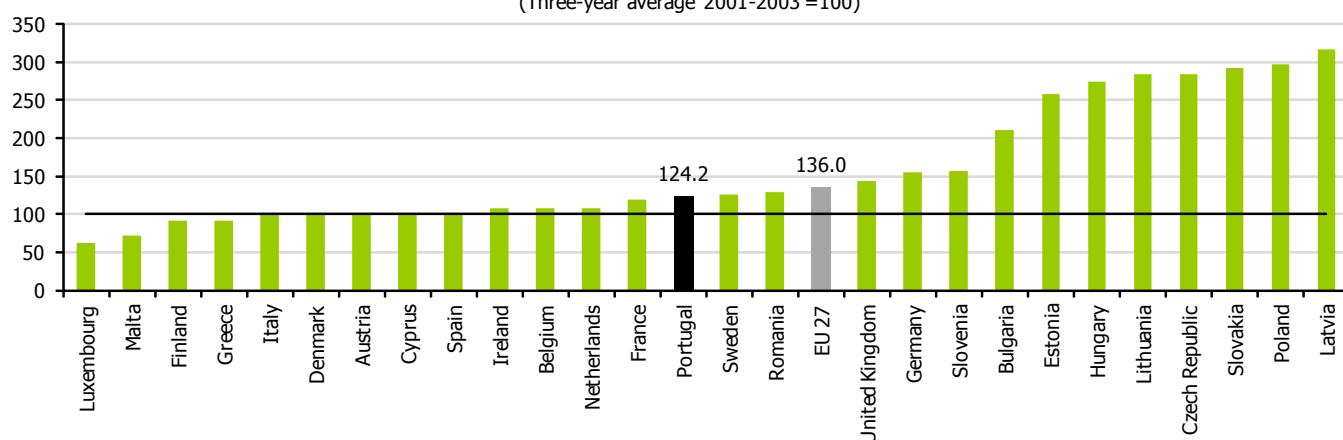
<http://ec.europa.eu/eurostat/data/database>

Information for Portugal is in accordance with quarterly national accounts, published on 30th November 2017.

^[2] Croatia was not considered, due to the inexistence of data on EAA before 2005.

Evolution of Indicator A (2014-2016Po / 2001-2003)

(Three-year average 2001-2003 =100)



Analyzing the relative importance of Subsidies in Factor income, in the triennium 2014-2016Po, it can be verified that Portugal presents inferior coefficients in comparison to EU27 average (38.0% and 56.4%, respectively), with the 4th lower relative weight.

Subsidies (on production and products) / Factor income (average of three-year period 2014-2016Po)

