

## Economic Accounts for Agriculture 2018

1<sup>st</sup> estimate

### Agricultural income is expected to increase 0.6% in 2018

According to the first estimate on Economic Accounts for Agriculture (EAA) for 2018, the income from Agricultural activity in Portugal, per annual working unit (AWU), is expected to increase 0.6%, in real terms, after a 5.4% increase in 2017. The evolution of this indicator is mainly associated with a nominal increase of 3.5% foreseen for Gross Value Added (GVA) and a decrease of 2.9% for Other subsidies on production.

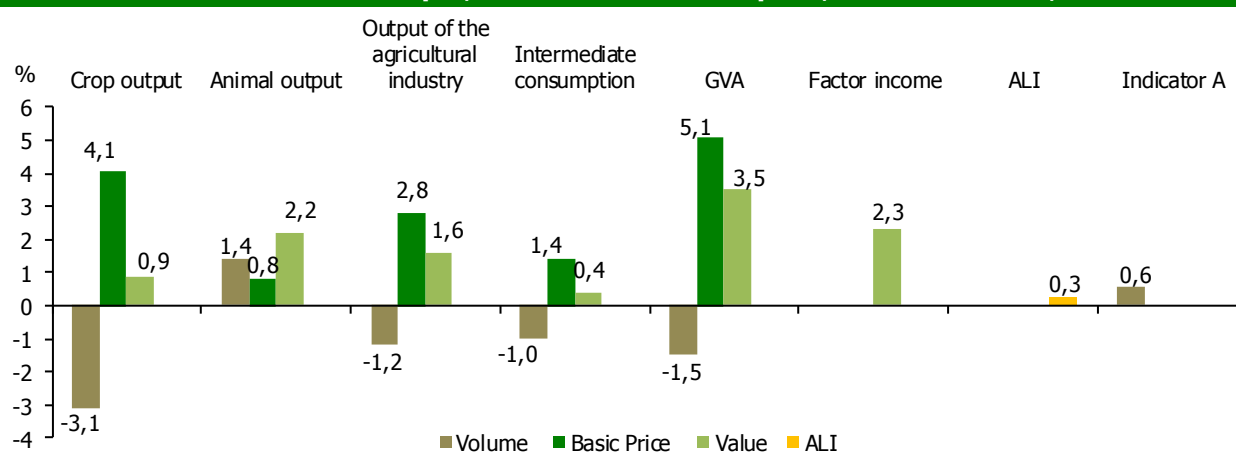
Statistics Portugal releases the first estimate of the Economic Accounts for Agriculture (EAA) for the year 2018. In January 31<sup>st</sup>, 2019, a second estimate will be released in Statistics Portugal website, in National Accounts dissemination area (section of satellite accounts).

#### 1. Main results for 2018

In 2018, the agricultural activity in Portugal, per work unit (AWU), in real terms (Indicator A), is expected to increase by 0.6%, after a growth of 5.4% in 2017. The evolution foreseen is the result of an increase in GVA (+3.5%) and a reduction in Other subsidies on production (-2.9%).

The nominal evolution estimated for GVA is the consequence of a higher increase in Output (+1.6%) than in Intermediate Consumption (+0.4%). In real terms, GVA is expected to decrease (-1.5%), due to a stronger decrease in Output than in Intermediate Consumption (-1.2% and -1.0%, respectively).

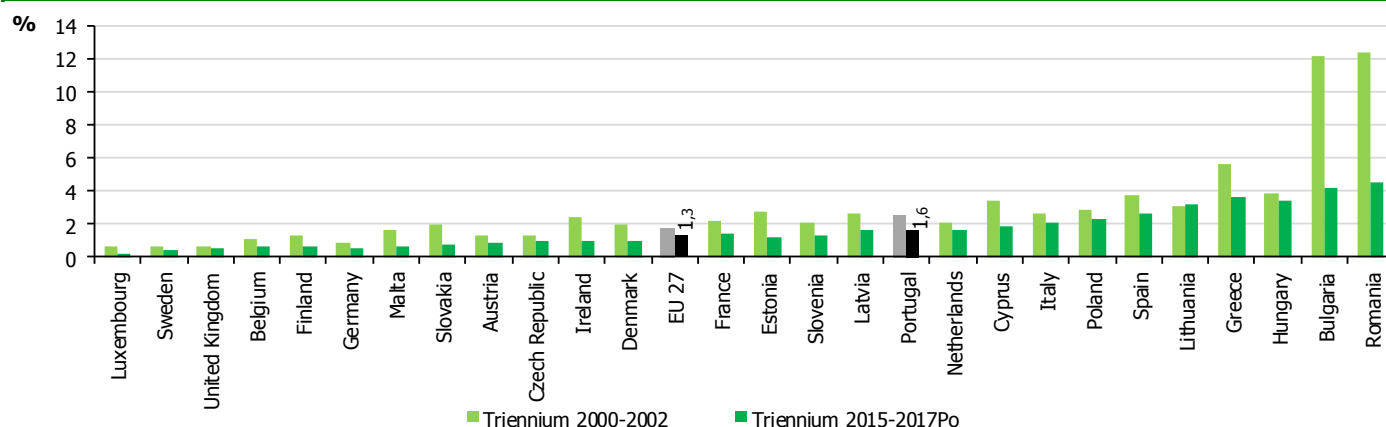
**Chart 1. Evolution of Output, Intermediate consumption, GVA and Income, in 2018**



## 2. International comparisons

Between 2000-2002 and 2015-2017Po the relative weight of agricultural GVA in national GVA decreased for most Member States<sup>[1]</sup> and for EU27<sup>[2]</sup>, with Portugal remaining above the European average (1.6% vs. 1.3%).

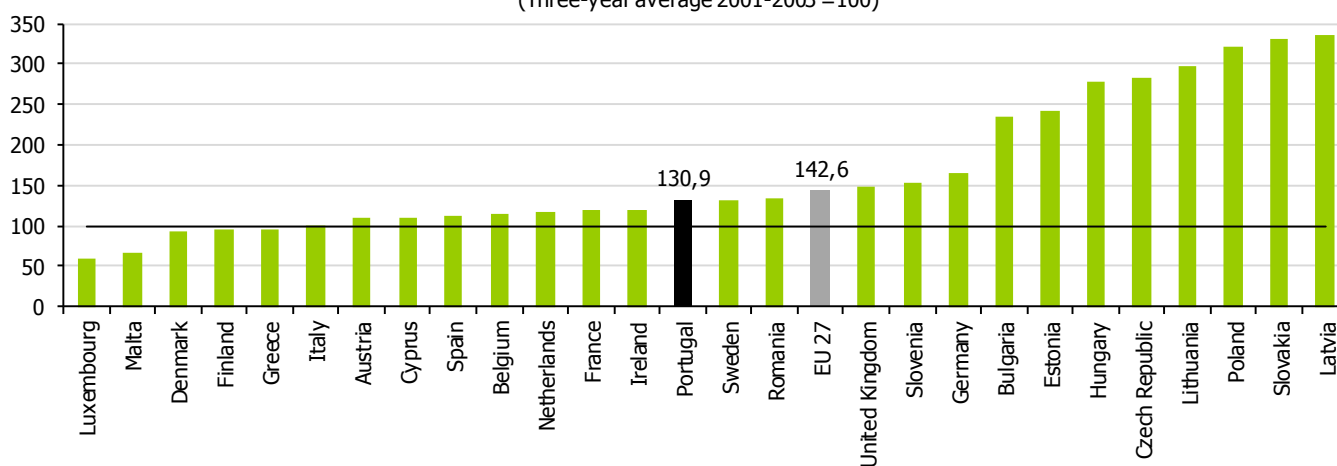
**Chart 2. Agricultural GVA / National GVA (average of three-year periods 2000-2002 and 2015-2017Po)**



Between the triennium 2001-2003 and 2014-2017Po the Income of agricultural activity in Portugal increased below the average of the Member States (+30.9% vs. +42.6%), surpassing, nevertheless, Mediterranean countries, such as France, Spain, Italy and Greece.

**Chart 3. Evolution of Indicator A ( 2015-2017Po / 2001-2003)**

(Three-year average 2001-2003 = 100)



[1] Information from EAA (last update on 9<sup>th</sup> November 2018) and national GVA of the Member States was extracted from Eurostat database on 5<sup>th</sup> December 2018.

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

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

In the triennium 2014-2017Po the relative importance of Subsidies in Factor income on Portugal was slightly higher than European average (37.9% vs. 35.3%), being the Member State with the 10<sup>th</sup> lower relative weight. Finland is the country that presents the higher relative weight of subsidies, opposite to Netherlands, which shows the lowest value of this indicator.

Chart 4. Subsidies (on production and products) / Factor income (average of three-year period 2015-2017Po)

