

Economic accounts for agriculture, 2012 (second preliminary data)

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Introduction

According to preliminary data the value of performance of agriculture grew by 3% in 2012, which was largely due to the 13% rise of producer prices. The 9% fall of the volume of agricultural production, along with the stagnation of intermediate consumption, induced a 24% fall of the gross value added. The most severe loss was registered in the production of cereals. Despite the decrease of the volume of production, labour input went up by 2%.

Volume of output

The **volume of output of crop products** – according to second preliminary data¹ – was 16% lower in 2012 than in 2011. The largest loss was recorded in the production of cereals: first of all **the production of maize declined considerably because of the extremely rainless weather**. This volume decrease of more than 40% resulted in a 25% fall in the group of cereals. The volume of industrial crops was down by 11%, firstly as a consequence of the considerable decline of rape and turnip rape output, secondly owing to the lower fall of sunflower production. The volume of output of forage plants as well as vegetables and horticultural products was 10% lower, while that of potatoes 15% less than in the previous year. The price of the latter plant also declined, which was due to the price-reducing impact of a considerable stock from the previous year. Although the forecast made in November of the reference year indicated a decrease of the volume of fruit production, the volume was 19% higher based on the latest data than in 2011. This was primarily owing to the higher harvested production of apples.

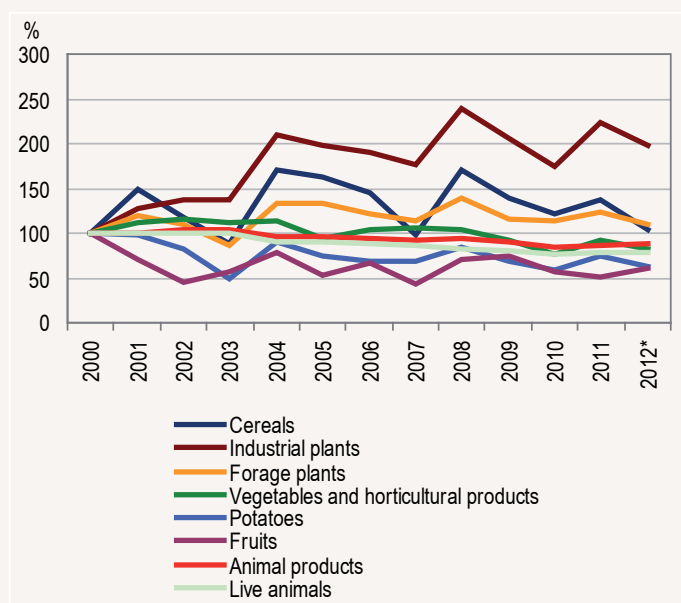
The **output of animal husbandry** was some 1% higher in 2012 than in the previous year. The volume of production of live animals was up by 1%, while that of animal products by 2%. According to preliminary data the volume of cattle and pigs was on the decrease among animals, while that of poultry grew; out of animal products the volume of milk rose, while that of fresh eggs fell, which was consistent among others with the entering into effect of stricter regulations on keeping chickens.

The **output volume** in the different groups of **crop production and animal husbandry** has followed different paths since 2000. The increasing and steady demand for industrial crops – in an unparalleled manner – allowed

for the doubling of the output. The output of cereals and forage plants was higher in the past few years than in the base year, however, the trend of the increase was lower, moreover, the weather causes significant fluctuations year by year. Concerning vegetables and horticultural products, potatoes and fruits a decreasing trend was recorded for the past few years. In case of the latter, annual fluctuation is substantial but the continuous decrease lasting since 2009 stopped: the output in 2012 reached 60% of the base of 2000 according to preliminary data. The decline in the output of animals and animal products followed a trend until 2010, since when essentially stagnation has been observed.

Figure 1

Change of output volume of major product groups (2000=100%)



*preliminary data.

Performance and profitability of agriculture

Based on the second preliminary results the **value of output of the agricultural division** (including services and secondary activities) was nearly 3% higher at current basic prices than in 2011. The 9% fall of the volume was compensated by the 13% rise of prices. The producer price level was up by 17% in crop production and by 10% in animal husbandry. The crop failure because of the drought caused significant price rises in case of cereals, industrial crops and forage plants (19–25%).

The volume of **intermediate consumption** was similar to that in the previous year, along with an 8% increase of the price index. Based on the data available to date the costs of animal feedingstuffs and energy were up by 15% and 7% respectively out of expenditures, while the prices of fertilizers and soil improvers increased by 11% on average. The use of

¹The Research Institute of Agricultural Economics and HCSO compile together the second preliminary data of economic accounts for agriculture (EAA) for the year 2012. Primarily preliminary information was used, and especially so in case of the production of plants harvested in autumn, subsidies related to the reference year, and price movements in the last quarter of the year. In accordance with the relevant regulation member states are obliged to deliver data to Eurostat three times a year: first preliminary data: until the end of November of the reference year, second preliminary data: until the end of January following the reference year, final data: until the end of September following the reference year.

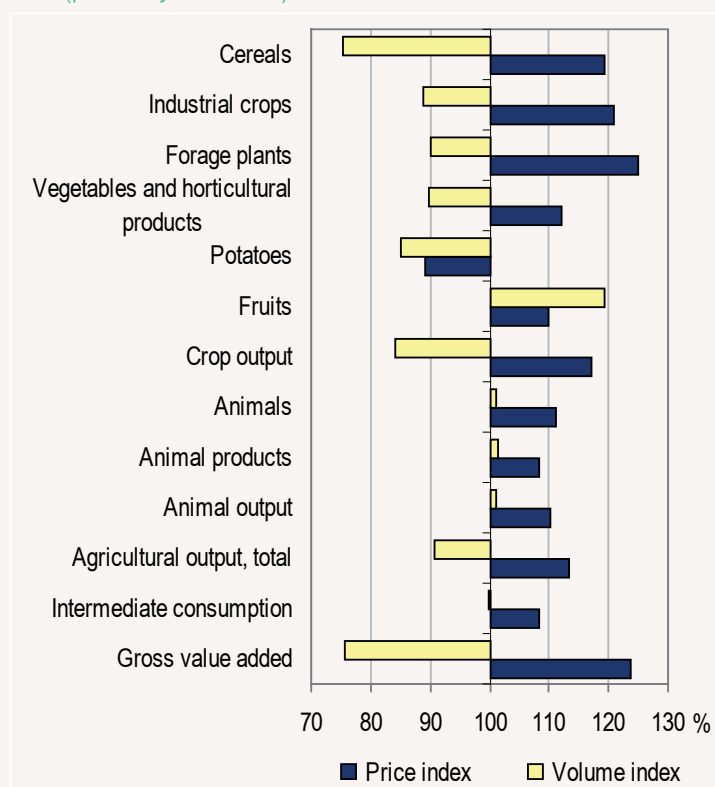
animal feedingstuffs and energy was slightly cut, while fertilizer use was somewhat higher than one year earlier.

The **gross value added** shows a more moderate decrease compared with the first preliminary data. It fell by 24% at prices of the previous year and by 7% at current prices. **Labour input** in agriculture grew by 2% in 2012 according to preliminary information.

The change of efficiency of labour input in agriculture is measured in EU statistics primarily by the index of **real factor income per annual work unit** (indicator "A"). Factor income and entrepreneurial income were 4% and 9% lower respectively than in 2011, so indicator "A" was down by 9%, which was substantially influenced by the high value in the base period of 2011.

Figure 2

Economic accounts for agriculture, volume and price indices, 2012* (previous year = 100%)



*preliminary data.

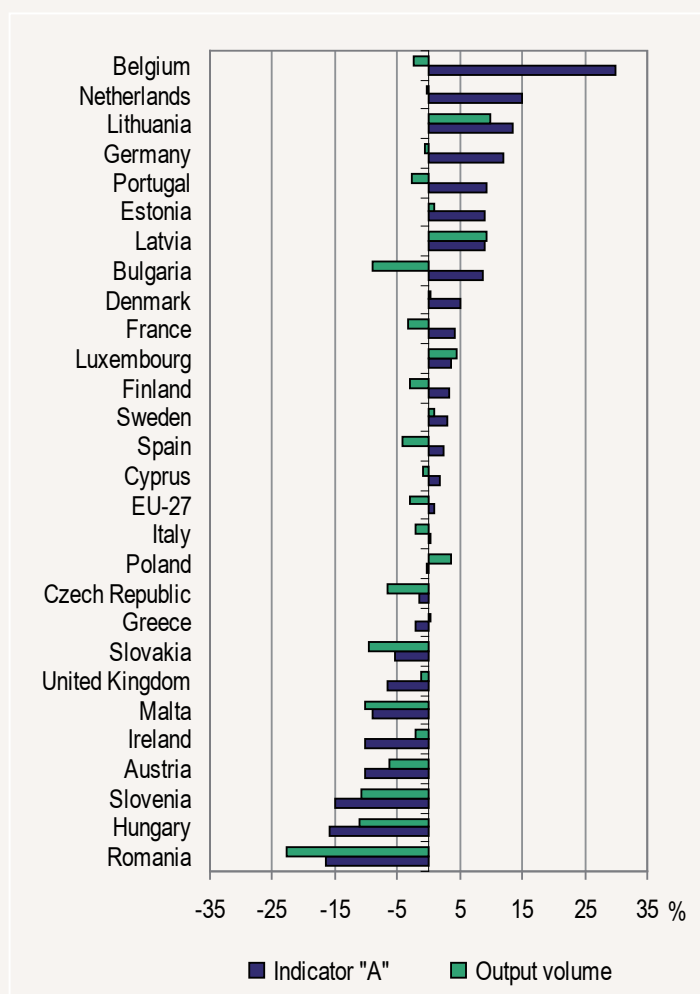
International outlook

The performance of the Community can be evaluated using first preliminary data (issued in November). **Indicator "A"** was 1% higher in the member states of the European Union on average than in the previous year according to preliminary data, following a rise of 8% in 2011. This can be explained by the slight growth of factor income (0.5%) and the moderate fall of labour input (0.5% as well). Between 2005 and 2012 the value of indicator "A" rose by nearly 30%, while labour input fell by one-fifth in the EU. Similarly to Hungary a substantial decrease was recorded in Romania

(16%), Slovenia (15%), Austria and Ireland (10% each). The most significant rise (of 30%) was observed in Belgium, but real income grew considerably in the Netherlands, Lithuania and Germany, too. The fall of the value of indicator "A" was substantially influenced by the decrease of the volume of output, the decrease of the indicator along with a moderate volume increase only occurred in Poland. Where there was no – or there was only moderate – volume decrease, indicator "A" was up, the only exception being Bulgaria. In the EU the output volume was 3% lower on average than in the previous year.

Figure 3

Change of indicator "A" and output volume, 2012*



*preliminary data.

Source: Eurostat.

According to the first results the **value of the total agricultural output of the EU** was 3% higher at current basic prices in 2012 than in 2011. The output of crop production grew by 2%, while that of animal husbandry by nearly 5%. The price of crop products and animal products rose by 8% and 5% respectively, the volume of the former was down by 5%, and that of the latter was similar to what was registered in the previous year.

Further information, data (links):

[Methodology](#)

[Tables](#)

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