



ECONOMIC ACCOUNTS FOR AGRICULTURE FOR 2018 (PRELIMINARY DATA)

1. PRODUCTION ACCOUNT

1.1. Output

The value of the final output produced in agriculture for 2018 (preliminary data at current prices) amounted to 8 457.6 million BGN, which was 2.7% more than the previous year. The increase was mainly due to price growth by 3.0%, while in the physical measurement (volumes of production) compared to 2017 a minimal decrease by 0.3% was noticed.

The value of crop output was equal to 5 773.0 million BGN and represented 68.3% of the total value of agricultural output. Compared to 2017, it was higher by 3.7%, which was a result of an increase in prices by 3.3%, while volumes produced registered a slight increase - by 0.4%. The majority share of crop output (80.6%) in 2018 was from cereals and industrial crops, whose values were calculated at 2 823.6 million BGN and 1 829.0 million BGN, respectively.

The value of the livestock output produced in 2018 amounted to 1 990.2 million BGN, or 23.5% of the final output in agriculture. Compared to 2017, livestock output increased by 0.7% as a result of price increase - by 2.2%, while volumes decreased by 1.5%. The value of the output of farm animals was 1 102.5 million BGN (55.4% of the output in livestock), while the value of the produced animal products was equal to 887.7 million BGN (44.6%). Compared to 2017, the value of livestock farming increased by 5.2%, which was due both to price increase - by 3.5% and volumes - by 1.6%. The value of animal products produced decreased by 4.5% compared to the previous year, which was a result of decrease in the volumes produced - by 5.1%, while prices remained almost unchanged - by 0.6% higher than in 2017.

Comparing with 2017, the value of agricultural services increased by 7.8%, while the value of output from secondary non-agricultural activities (inseparable) decreased by 15.8%. The decrease in output from secondary non-agricultural activities resulted from a decrease in the volumes produced - by 18.4%, which cannot be compensated by the price increase - by 3.2%.

1.2. Intermediate consumption

The value of the goods and services currently consumed in agriculture in 2018 amounted to 4 794.2 million BGN, which was by 7.1% higher than the previous year. The increase was due to rise in input prices by 4.4% and rise in volumes by 2.6%.

Compared to 2017, the main increase in goods and services currently consumed in agriculture was recorded in fertilizers and soil improvers - by 14.1%, which was due to a price increase - by 28.9, while volumes decreased by 11.5%. Next, an increase was recorded in the cost of purchasing plant protection products by 12.9%, which was due to an increase in quantities - by 20.5%, favored by a fall in prices by 6.3%. Compared to the previous year, the costs of farms for fuels and motor oils increased by 8.2% as a result of price increase by 12.0%, while volumes decreased by 3.4%.

1.3. Gross value added



The gross value added made in 2018 in agriculture (at basic prices) was equal to 3 663.4 million BGN and was 2.5% less than in 2017. The decrease was due to a decrease in volume - by 3.8%, which cannot be compensated by the price increase - by 1.3%.

2. GENERATION OF INCOME ACCOUNT

The net operating surplus / mixed income in agriculture in 2018 was equal to 3 659.9 million BGN and was lower by 5.4% compared to the previous year. The decrease was due to the registered decrease in net value added - by 4.3%, the higher value of compensation of employees - by 3.2%, and the lower value of other subsidies on production - by 3.4%.

3. ENTREPRENEURIAL INCOME ACCOUNT

The net entrepreneurial income in agriculture in 2018 amounted to 2 447.2 million BGN and decreased by 8.7% compared to the previous year. The decrease was due to the lower value of the net operating surplus/mixed income, as well as the higher value of the rents paid by agricultural holdings to the owners of agricultural land who rented it out - by 3.3%.

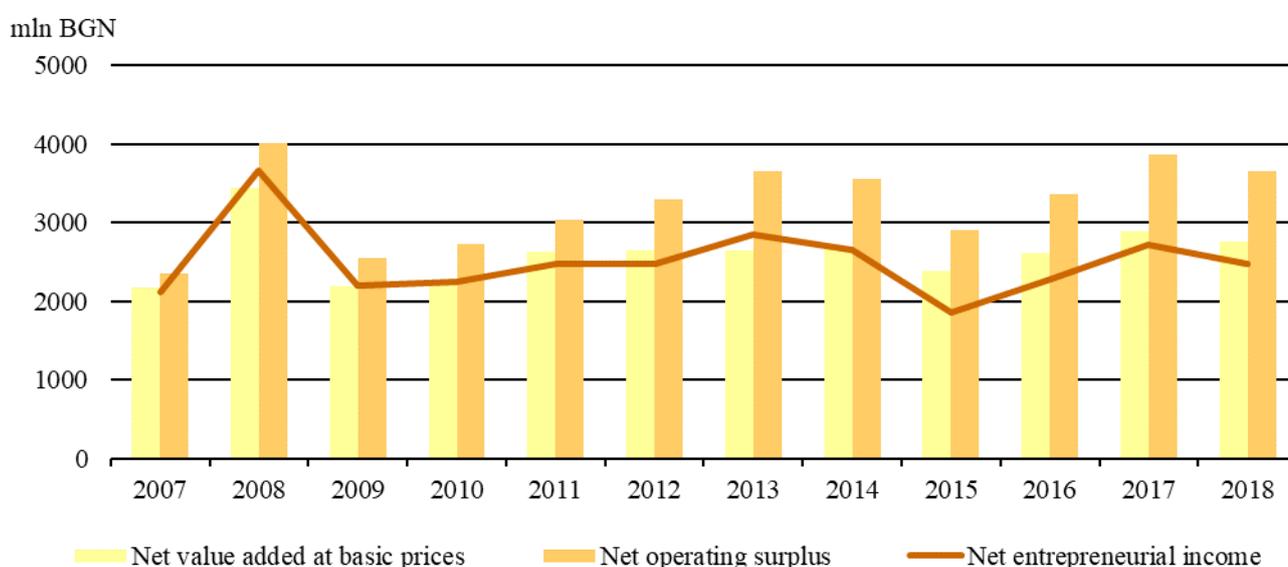
4. CAPITAL ACCOUNT

Gross fixed capital formation in agriculture in 2018 was equal to 621.5 million BGN.

Most of it - 471.2 million BGN (75.8%) represented gross fixed capital formation in non-agricultural products, of which in agricultural machinery, equipment and vehicles - 248.7 million BGN (52.8%) and in buildings - 217.2 million BGN (46.1%).

Gross fixed capital formation in agricultural products (permanent crops and productive animals) amounted to 150.3 million BGN, most of which was in the acquisition of new plantations.

Figure. 1. Variation of agricultural income indicators during the period 2007 - 2018





METHODOLOGICAL NOTES

The Economic accounts for Agriculture are satellite accounts in the framework of the National Accounts providing complementary information and concepts adapted to the particular nature of the agricultural industry. They are elaborated according to the Regulation (EC) 138/2004 and adopted by Eurostat methodology presented in the Manual on the Economic Accounts for Agriculture and Forestry, 1997 (Rev. 1.1). The following accounts build up the architecture of the accounts: there are three current accounts - Production account, Generation of income account, Entrepreneurial income account and one for accumulation account - Capital account so that the sequence and exhaustiveness are provided for according to the European System of Accounts (ESA).

Main indicators

The main purpose of the elaboration of the economic accounts is the calculation of the entrepreneurial income for the agricultural 'industry'. The calculation of the income is realized in the frame of the mentioned three current accounts, where next methodological links were followed:

	Crop output
+	Livestock output
+	Agricultural services
+	Non-agricultural secondary activities (inseparable)
=	Output of the agricultural 'industry'
-	Intermediate consumption
=	Gross value added at basic prices
-	Fixed capital consumption
=	Net value added at basic prices
-	Compensation of employees
-	Other taxes on production
+	Other subsidies on production
=	Net operating surplus/Mixed income
-	Rents paid
-	Interest paid
+	Interest received
=	Net entrepreneurial income

Output of the agricultural 'industry' represents all of the services and products produced by all units with agricultural activity. Data refer to the final output, which does not include goods and services produced and consumed by the same unit for the same period.

According to the requirements of the Appendix XI of the EAA '97, Rev. 1.1 the economic accounts for agriculture do not include:



- Output of units engaged in production of seeds upstream and downstream of multiplication for research or certification and propagation material for crops and livestock
- Output of the certain activities which are considered as agricultural services - operation or irrigation systems, design, planting and maintenance of gardens, parks and green areas for sports facilities and like tree pruning and hedge trimming
- Output of the form of agricultural work-in-progress for crops whose production is treated as a continuous process for the accounting period or for two calendar years
- Non-agricultural output of agricultural units when the activities are separable

The Net income at factor cost (calculated as net value added at basic prices less other taxes on production plus other subsidies on production) measures the remuneration of all factors of production (land, capital, labour).

The **net operating surplus/net mixed income** (calculated after deduction of compensation of employees and other taxes on production and adding other subsidies on production from the net value added at basic prices) measures the income of the use of land, capital and non-salaried labour input.

The **net entrepreneurial income** (calculated after adding to the net operating surplus/net mixed income the interests, received by agricultural holdings, operating as companies and deducting the interests and rents, paid by them) measures the compensation of non-salaried labour, the remuneration from land, belonging of agricultural holdings and the income from the use of capital.

Data on the economic accounts for agriculture are elaborated for the calendar year at current and at constant prices based on previous year. Data are elaborated at regional NUTS2 level.

Sources of information

The main sources of information are the statistical surveys conducted by the NSI and surveys, carried out by the Agrostatistics Division at the Ministry of Agriculture, Food and Forestry, as well. There are used data of State fund 'Agriculture' (Paying agency) about financial support in agriculture.



Annex

Table 1

Final output at basic prices - preliminary data for 2018

	Value for 2018 in million BGN	Volume index	Price index	Value index 2017 = 100
Output of the agricultural 'industry'	8457.6	99.7	103.0	102.7
Agricultural output	8264.9	100.2	103.0	103.2
Crop output	5773.0	100.4	103.3	103.7
Cereal crops	2823.6	107.5	107.8	115.9
Industrial crops	1829.0	89.2	104.1	92.9
Fodder crops	176.8	106.8	73.9	78.9
Vegetables	420.0	104.7	104.5	109.4
Potatoes	101.7	113.7	113.4	128.9
Fruit	383.6	101.2	88.9	90.0
Other crop products	38.3	106.7	77.2	82.4
Livestock output	1990.2	98.5	102.2	100.7
Livestock	1102.5	101.6	103.5	105.2
Livestock products	887.7	94.9	100.6	95.5
Agricultural services output	501.7	104.6	103.1	107.8
Non-agricultural secondary activities (inseparable)	192.7	81.6	103.2	84.2
Total intermediate consumption	4794.2	102.6	104.4	107.1
Seeds and planting stock	180.8	92.4	100.2	92.6
Energy and lubricants	1186.2	96.6	112.0	108.2
Fertilisers and soil improvers	450.5	88.5	128.9	114.1
Plant protection products and pesticides	338.7	120.5	93.7	112.9
Veterinary expenses	249.4	107.5	98.2	105.6
Animal feeding stuffs	994.3	104.5	100.3	104.8
Maintenance of materials	323.6	120.2	90.3	108.5
Maintenance of buildings	158.7	106.1	102.3	108.5
Agricultural services	501.7	104.6	103.1	107.8
FISIM	83.1	109.5	103.2	113.0
Other goods and services	327.2	97.6	103.1	100.6
Gross value added at basic prices	3663.4	96.2	101.3	97.5
Fixed capital consumption	897.2	97.5	105.8	103.2
Net value added at basic prices	2766.2	95.8	99.9	95.7
Income at factor cost	4615.6	-	-	96.2
Net operating surplus	3659.9	-	-	94.6
Net entrepreneurial income	2477.2	-	-	91.3