

## ECONOMIC ACCOUNTS FOR AGRICULTURE FOR 2019 (PRELIMINARY DATA)

### 1. PRODUCTION ACCOUNT

#### 1.1. Output

The value of the final output produced in agriculture for 2019 (preliminary data at current prices) amounted to 8 504.6 million BGN, which was 0.5% more than the previous year. The increase was mainly due to price growth by 1.9%, while in the physical measurement (volumes of production) compared to 2018 a decrease by 1.4% was noticed.

The value of crop output was equal to 5 639.1 million BGN and represented 66.3% of the total value of agricultural output. Compared to 2018, it was lower by 2.3%, which was a result of a decrease in prices - by 1.6%, and decrease in volumes - by 0.7%. The majority share of crop output (82.7%) in 2019 was from cereals and industrial crops, whose values were calculated at 2 933.3 million BGN and 1 728.1 million BGN, respectively.

The value of the livestock output produced in 2019 amounted to 2 174.4 million BGN, or 25.6% of the final output in agriculture. Compared to 2018, livestock output increased by 9.3% as a result of price increase - by 11.9%, while volumes decreased by 2.6%. An important factor for the increase in basic prices is the increase in subsidies for livestock by 46.6% compared to 2018.

The value of the output of farm animals was 1 273.8 million BGN (58.6% of the output in livestock), while the value of the produced animal products was equal to 900.6 million BGN (41.4%). Compared to 2018, the value of livestock farming increased by 15.5%, which was due to price increase - by 17.7%, while the volumes decrease - by 2.2%. The value of animal products produced increased by 1.5% compared to previous year, which was a result of increase of the prices - by 4.2%, while the volumes decreased by 2.7%, compared to 2018.

Comparing with 2018, the value of agricultural services decreased by 1.9%, while the value of output from secondary non-agricultural activities (inseparable) increased by 3.2%. The increase in output from secondary non-agricultural activities is a result from an increase in prices - by 5.9%, while the volumes registered a decrease - by 2.7%.

#### 1.2. Intermediate consumption

The value of the goods and services currently consumed in agriculture in 2019 amounted to 4 777.4 million BGN, which was by 0.3% lower than the previous year. The decrease was due to the drop in volumes - by 2.2%, which cannot be compensated by the price increase - by 1.9%.

Compared to 2018, the main increase in goods and services currently consumed in agriculture was recorded in seeds and planting stock - by 13.2%, which was due to both increase in volumes - by 11.3% and increase in prices - by 1.9%. In the next place, an increase was recorded in the other goods and services consumption, where financial intermediate services indirectly measured (FISIM) is included, by 12.2%, which was due to an increase both in quantities - by 9.3% and prices - by 2.9%. Compared to the previous year the biggest

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recorded decrease in goods and services currently consumed in agriculture, was in the costs of farms for fuels and motor oils - by 10.4% due to decrease, both in volumes - by 9.8% and prices - by 0.6%.

### 1.3. Gross value added

The gross value added produced in 2019 in agriculture (at basic prices) was equal to 3 727.2 million BGN and was 1.7% more than in 2018. The increase was due to rise in prices - by 2.0%, which cannot be affected by the drop in the volume - 0.3%.

## 2. GENERATION OF INCOME ACCOUNT

The net operating surplus/mixed income in agriculture in 2019 was equal to 3 776.2 million BGN and was higher by 3.7% compared to the previous year. The increase was due to the growth of net value added - by 2.1%, and the higher value of other subsidies on production - by 6.6%.

## 3. ENTREPRENEURIAL INCOME ACCOUNT

The net entrepreneurial income in agriculture in 2019 amounted to 2 565.5 million BGN and increased by 4.3% compared to the previous year. The increase was due to the higher value of the net operating surplus/mixed income, as well as the lower value of the interest paid by agricultural holdings - by 5.2%.

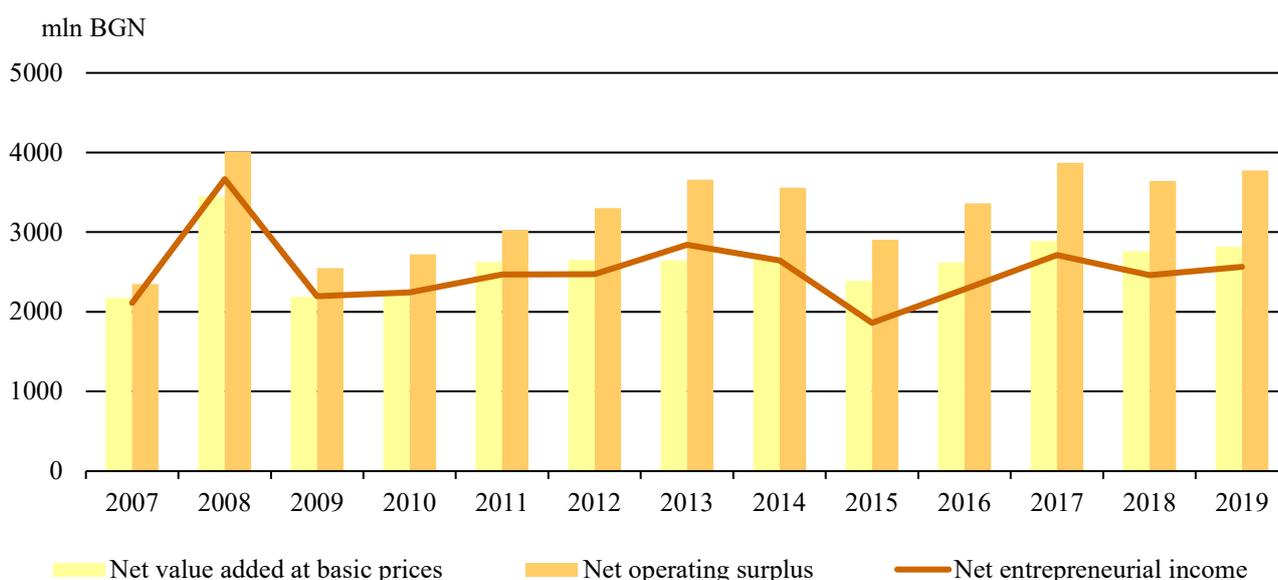
## 4. CAPITAL ACCOUNT

Gross fixed capital formation in agriculture in 2019 was equal to 651.4 million BGN.

The biggest part of them - 565.5 million BGN (86.8%) represented gross fixed capital formation in non-agricultural products, of which in agricultural machinery, equipment and vehicles - 333.8 million BGN (59.0%), and in buildings - 230.1 million BGN (40.7%).

Gross fixed capital formation in agricultural products (permanent crops and productive animals) amounted to 85.9 million BGN, most of which was in the acquisition of new plantations.

**Figure 1. Variation of agricultural income indicators during the period 2007 - 2019**



## 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

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- 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 2019

	Value for 2019 in million BGN	Volume index	Price index	Value index 2018 = 100
<b>Output of the 'agricultural industry'</b>	<b>8504.6</b>	<b>98.6</b>	<b>101.9</b>	<b>100.5</b>
<b>Agricultural output</b>	<b>8305.7</b>	<b>98.7</b>	<b>101.8</b>	<b>100.5</b>
<b>Crop output</b>	<b>5639.1</b>	<b>99.3</b>	<b>98.3</b>	<b>97.7</b>
Cereal crops	2933.3	104.5	99.4	103.9
Industrial crops	1728.1	96.5	97.9	94.5
Fodder crops	143.3	71.3	113.6	81.1
Vegetables	388.9	96.1	96.3	92.6
Potatoes	87.6	71.9	119.8	86.1
Fruit	321.5	98.9	84.8	83.8
Other crop products	36.4	91.6	103.7	95.0
<b>Livestock output</b>	<b>2174.4</b>	<b>97.6</b>	<b>111.9</b>	<b>109.3</b>
Livestock	1273.8	97.8	118.1	115.5
Livestock products	900.6	97.4	104.2	101.5
<b>Agricultural services output</b>	<b>492.2</b>	<b>95.3</b>	<b>102.9</b>	<b>98.1</b>
<b>Non-agricultural secondary activities (inseparable)</b>	<b>198.9</b>	<b>97.4</b>	<b>106.0</b>	<b>103.2</b>
<b>Total intermediate consumption</b>	<b>4777.4</b>	<b>97.8</b>	<b>101.9</b>	<b>99.6</b>
Seeds and planting stock	204.8	111.1	101.9	113.3
Energy and lubricants	1062.8	90.1	99.4	89.6
Fertilisers and soil improvers	469.5	98.8	105.5	104.2
Plant protection products and pesticides	333.6	99.4	99.1	98.5
Veterinary expenses	260.3	99.1	105.3	104.4
Animal feeding stuffs	1003.5	98.8	102.2	100.9
Maintenance of materials	329.0	100.8	100.9	101.7
Maintenance of buildings	161.3	99.3	102.3	101.6
Agricultural services	492.2	95.3	102.9	98.1
Other goods and services	460.4	109.3	102.9	112.2
FISIM	80.3	93.9	102.9	96.6
Other goods and services	380.1	112.9	102.9	116.2
<b>Gross value added at basic prices</b>	<b>3727.2</b>	<b>99.7</b>	<b>102.0</b>	<b>101.7</b>
Fixed capital consumption	910.3	98.0	102.8	100.7
<b>Net value added at basic prices</b>	<b>2816.9</b>	<b>100.3</b>	<b>101.8</b>	<b>102.1</b>
<b>Net income at factor cost</b>	<b>4784.1</b>	-	-	<b>103.8</b>
<b>Net operating surplus</b>	<b>3776.2</b>	-	-	<b>103.7</b>
<b>Net entrepreneurial income</b>	<b>2565.5</b>	-	-	<b>104.3</b>