

The 2008 Agricultural Year

General overview

1. The **2008 agricultural year** was marked by a very sharp and remarkable decrease in the prices of many agricultural commodities in the EU and on world markets (after the pronounced price hikes observed in 2007 and at the beginning of 2008). These drops in commodity prices concerned mainly crop and dairy products, while meat prices showed a recovery. The volume of EU crop production increased by 6.2% in 2008 as compared to 2007, while the output volume of the livestock sector grew only by a marginal 0.2%. Agricultural input prices showed a further remarkable increase (+16.3%), mainly due to considerably higher prices for energy and lubricants (+22.1%), fertilisers (+67.1%) and feedstuffs (+19.5%). Reflecting the previously discussed output and input price developments, the first income estimates sent by Member States show a decrease in agricultural income by 4.6% in real terms as compared to 2007 in the European Union as a whole. The actual range by country varies from -25.6% for Belgium to +24.5% for Bulgaria. In 2008, EU agricultural exports in value were made up for 64% by processed final products. The overall value of EU agricultural exports increased strongly by 9.9%, with a remarkable rise in the values of exported commodities (+57.8%). The increase in export value was particularly marked for wheat (grains) (+163.8%), sugar alcohols (+116.0%), fatty acids and alcohols (+109.4%) and soy beans (+103.9%). Export values fell for essential oils (-29.9%), wool and silk (including cocoons) (-18.3%), raw sugar (-16.2%) and, among others, for dairy products (-2.3% for butter and -0.6% for milk, crème, yoghurt, whey). The overall value of agricultural imports in 2008 as compared to 2007 rose by 12.4%. As a result, the deficit of the EU agricultural trade balance increased by 86% to 5 billion € (which amounts to around 5.4% of the value of the total of EU agricultural imports in 2008).
2. Concerning the general **economic situation in the EU**, GDP growth in 2008 is estimated at about +1% (from just below 3% in 2007). GDP is expected to decline by less than 2% in 2009, followed by a gradual recovery in 2010. The deteriorated situation is the result of the impact of the intensified financial crisis and the ensuing global downturn on the real economy. The world economy has entered into the deepest crisis for more than 60 years. Whereas the downturn in the global economy is estimated to have amplified the fall in the prices of many commodities during the second half of 2008, it is expected to continue to weigh heavily over the short-term perspectives of most agricultural sectors in the EU and at global level. While the agricultural sector is generally more resilient to economic crises than other sectors, it is expected to face great challenges, especially in demand growth and farm income, which may continue to exert strong pressure on agricultural prices and trigger significant structural adjustment. Whereas food demand will be directly negatively affected in the higher value-added sectors (especially in the livestock and dairy sectors), the economic crisis should also be felt indirectly in other parts of the agricultural economy: in the arable crop sector through feed demand, in the energy crop sector in the wake of lower oil prices, as well as in the upstream and downstream industries. Inflation pressures on consumer prices continue to ease from earlier heights. Consumer price inflation in 2008 is estimated at 3.3%. In line with this scenario, world

trade growth is also estimated to have gradually decelerated. After a successive devaluation of the US-\$ vis-à-vis the Euro in the first half of 2008, the US-\$ regained around 20% of its value vis-à-vis the Euro in November 2008 as compared to July 2008, before strengthening again in the first quarter of 2009.

Overview on agricultural markets

3. The area cultivated under **cereals** in 2008/2009 has increased remarkably by 3.7 million ha. This was triggered by the high grain prices of marketing year 2007/2008 and the temporary suspension of the compulsory set aside. In addition, climatic conditions have been very favourable and have led to very high yields for all arable crops, close to the records of 2004/2005. A significant harvest of almost 313 million t of cereals has allowed a recovery of EU stock levels by more than 17 million t at the end of the marketing year.

The total EU-27 cereal area is estimated to stand at 60.5 million ha. This area combined with today's yield estimates would lead to a production close to 313 million t. Average cereal yields are estimated to stand at 5.17 t/ha, an increase of 13.6% in comparison with 2007/2008 (and 0.13 t/ha lower than the record of 2004/2005 of 5.30 t/ha). The average yield would be 6.04 t/ha in the EU-15 and 3.75 t/ha in the EU-12.

Given cereal imports of 10.6 million t, the level of cereal availabilities – taking into account carry-over of stocks - would be at 370.5 million t. Domestic demand would amount to 274.3 million t, with animal feed down by 0.7 million t at 171 million t and bioethanol utilisation up at 6.2 million t.

Total cereal exports are estimated at 29.4 million t. On the basis of these estimates, total cereal ending stocks would increase by 17.3 million t to stand at 66.8 million t. Intervention stocks would amount to 1.5 million t (0.1 million t of soft wheat, 0.7 million t of barley and 0.7 million t of maize).

EU-27 **oilseed** area is estimated at 10.2 million ha. Total oilseed production would stand at 27.0 million t. This would represent an increase of 13.4% in comparison with 2007/2008 when oilseed production reached 23.8 million t. Average oilseed yields would reach 2.63 t/ha, close to the record level of 2004/2005 of 2.68 t/ha.

Protein crop and linseed production would stand at 2.3 million t and 0.1 million t respectively.

4. **Rice** production was at around 1.678 million t (milled equivalent) which means an increase of around 5.9% as compared to the previous marketing year. This increase is the combined effect of the growth of the sown area (from 417 500 ha to 424 400 ha), the development of plant yields (from 6.5 to 6.6 t/ha on average) and the increase of the milling yields (from 60.4 to 61.6% on average).

Rice consumption increased by 4% (from 2.5 million t to 2.6 million t in milled equivalent) compared to the previous year. The production increase did not cover the demand growth, and the EU rice trade deficit increased further.

Milled equivalent rice imports increased from 865 000 t to 1 115 000 t, exports increased from 100 000 t to 127 000 t.

Rice stocks increased by 23% and reached a level of 514 000 t till the end of the year. The year started and ended without public intervention stocks.

Paddy rice prices were above the intervention price level at the beginning of the marketing year (they developed in the range of 140-190% of the intervention price at the start of the year) and - after a continuous increase - reached 400-500% of the intervention price by the end of the marketing year. The same tendency could be detected also for milled rice: EU market price doubled during the marketing year. Although world market prices began to decrease in the last quarter, EU prices remained at relatively high levels.

5. Total **must** production for wine and grape juice in 2008 remained at the very low level of production reached in 2007. Estimates indicate a production of about 173 million hectolitres, of which 165 millions will be vinified.

The market price of **table wines** without geographical indication at producer level is suffering from high stock levels: Spanish red table wines are now marketed at 2.6 € per hectograde (-10% compared to the same period of last year), Italian red table wine at 2.7 € (-25%) whereas French red table wine increased at the end of the year up to 3.55 € (+10%) after a sharp collapse during the summertime (2.85 €). Quotations for white table wines are often based on insufficient volumes to be considered truly representative.

Exports as well as imports of wine have decreased in volume by 2-3%. However exports in value increased by 14% to 6.187 billion €. In combination with the decrease of imports in value (-8%), the trade balance shows a positive result reaching 3.731 billion euros, an increase of 16% compared to 2007.

6. In 2008 as compared to 2007, the production volumes of **fruits and vegetables** in the EU increased by 1.1% and 1.9%, respectively. While fruit prices rose by 5.4%, the prices of vegetables fell by 4.1%.
7. The final figures indicate that in 2007/08 14.47 million tonnes of **sugar** were produced in the Community under quota and an additional 2.47 million tonnes out of quota. According to preliminary estimates production under quota would fall sharply in 2008/09 reflecting the quantities renounced under the temporary restructuring scheme. Quota production is expected to reach 13.13 million tonnes, whereas out of quota production would amount to 2.8 million tonnes. The area sown to sugar beet decreased to 1.46 million ha. Under the temporary restructuring scheme 3.3 million tonnes of sugar quota were renounced. Taking into account the applications submitted for 2009/10, altogether 5.8 million tonnes of sugar, isoglucose and inulin syrup quota have been renounced during the four marketing years 2006/07-2009/10.

Community sugar consumption is usually very stable reflecting the saturation of the market. On the basis of the Community balance sheet the overall sugar and isoglucose consumption is estimated at 16.4 million tonnes.

Overall exports reached 1.23 million tonnes in calendar year 2008, practically all white sugar. Imports amounted to 3.07 million tonnes, including 2.56 million tonnes of raw sugar and 0.51 million tonnes of white sugar. Thus the Community has become a net importer (after its previous status as major net exporter).

The start of the 2008/09 marketing year was marked by the termination of granting export refunds for sugar. In 2008 (similarly as to 2007), no more sugar was offered into intervention. In order to resale the remaining intervention stocks three tenders were opened: a) resale on the Community market; b) resale for export; c) resale for industrial use (i.e. chemical industry). In total 327 000 t of intervention sugar were sold, in particular on the Community market, following the reduction of the reference price on 1 October 2008. At the end of the year, taking into account the quantities reserved for the most deprived people, 40 000 t of sugar were still in intervention.

Under the sugar reform the first reduction of the institutional price took place on 1 October 2008 when the white sugar reference price was cut from 632 € per tonne to 541 € per tonne. The final price level will be reached as from 1 October 2009 when the white sugar reference price will decrease to 404 € per tonne. The sugar market price followed somewhat more gradually the decrease of the reference price and reached about 580-590 € per tonne by the end of 2008.

8. The long-term trend of decreasing **cattle** herds in the EU continued in 2008. Regarding the herd structure in terms of animal categories, a decrease in the relevance of both steers (driven by the developments in Ireland) and slaughter calves (mainly driven by the developments in France, Italy, Poland and Romania) and an increase of the share of beef cows at the expense of dairy cows could be observed. The latter tendency was lately further fuelled by the pronounced profitability fall in the dairy sector and the correspondent year-on-year increase in end-of-the year dairy cow slaughter in 2008, which in turn led to a decrease in cow prices.

Intra and extra-EU live animal trade tended to increase over the last years, but was disrupted in 2007 and 2008 due to trade restrictions imposed in the wake of animal health problems (Blue Tongue Disease).

Reflecting the above discussed cattle herd developments, EU-27 beef and veal production in 2008 is expected to have decreased by 1.8%, resulting from a stronger production decrease in the first months of the year and a catch-up in production particularly in the last quarter of the year, with additional cow slaughter significantly contributing to this development.

Beef and veal imports fell remarkably in 2008 (-30.5%), following the strong decrease of deliveries from Brazil (due to widespread non-compliance with EU traceability regulation there), but also from Argentina (due to Government intervention), while (quantitatively less important) EU imports from Uruguay, Australia and New Zealand increased substantially. However, the overall import value in 2008 was only 12.9% lower than one year before, reflecting a remarkable increase in the unit value of EU-27 beef and veal imports (+25.8%, the increase in the unit value of imports from Brazil expressed in Brazilian Real should be even more pronounced, given the remarkable devaluation of the Brazilian Real vis-à-vis the Euro during the last quarter of 2008).

Clearly breaking the longer-term trend of decreasing EU beef and veal exports, the latter increased by a substantial 41.0% in 2008 as compared to 2007, mainly driven by a surge in exports of frozen beef (increasingly with refunds) to Russia. Not only did the overall export volume increase (+41.0%), also the overall export value increased by a substantial 53.2%, reflecting a rise in the average unit value of EU exports of 9.9%. However, it should be noted that the nearly 30% devaluation of the Russian Rouble

vis-à-vis the Euro which took place during the last quarter of 2008 (and continued in 2009) started to make EU beef even more expensive for Russian buyers, which might also explain the observed remarkable overall up-take of licence applications for refunded exports of +20.7% during the period July-December 2008.

Given the decrease in domestic production and imports as well as the remarkable rise in exports, EU beef prices stayed at relatively high levels throughout the year 2008. The average EU market price for adult male bovines has been oscillating around a value of 322 Euros per 100 kg carcass weight (around 145% of the applicable reference price). However, steer, heifer and, particularly, cow prices have fallen significantly over the last months, reflecting a higher production, decreasing exports and a generally weakening domestic beef and veal demand. The latter is estimated to have fallen by a pronounced 4.1% in 2008 as compared to 2007.

After the remarkable rise in feed prices and other farm costs in the course of 2007, the EU **pig** sector underwent some major structural adjustments, due to reduced profitability. At the end of the year 2007, the overall EU-27 pig herd was 1.4% smaller than one year before, the number of covered sows however went down by 4.9%.

Given these herd developments and considering the accelerated shift of piglet and pig production into bigger, more productive farms, EU pig meat production in 2008 is estimated to have fallen by 1.6% as compared to 2007.

With feed costs remaining relatively high throughout most of the year 2008, pig prices started to visibly reflect the higher production costs and showed a rather strong recovery along their usual seasonal price pattern since early summer 2008, reaching a level of 174 Euros/100 kg in August 2008. However, the following price decrease in autumn 2008 was much more pronounced than originally expected.

The remarkable extent and duration of the observed decrease in EU pig meat prices seems to be influenced by the impact of the ongoing "economic and financial crisis" on domestic and international pig meat demand, on the financing of economic activities (including intra and extra-EU-trade) and on exchange rate developments. Particularly the latter increasingly appear to be a major driving force for downward price pressure on the domestic pig meat market, whose balance is relatively dependent on frictionless EU intra and extra-trade flows. The devaluation of the Russian Rouble and an increasingly restrictive Russian meat import policy, the enhanced competition from North America on the Japanese pig meat market and, particularly, the devaluation of the currencies of major pig meat net importing New Member States are seen to contribute to the fact that domestic pig meat prices have had (and still have) difficulties to recover.

Supported by the provision of export refunds for fresh and frozen carcasses and cuts, EU pig meat exports to third countries (particularly to Russia and Hong Kong/China, but also to Japan) are estimated to have increased by a substantial 29.7% in 2008. However, exports started to weaken at the end of 2008, particularly the EU intra-exports of pig meat from the EU-15 to the EU-N10 showed a major breakdown (triggered by recent purchase power/demand and exchange rate developments in the EU-N10): While the product quantity delivered from the EU-15 to the EU-N10 decreased by a massive 67% in November 2008 as compared to October 2008, the product value fell even stronger (-72%).

EU-27 pig meat imports in 2008 are estimated to have increased by a remarkable 65.1% (the share of imports in domestic consumption would amount to around 0.2%), mainly driven by additional shipments from North America.

Following the reduction in production, the increase in exports and the recent slow-down in domestic demand on a value basis, EU-27 pig meat consumption in 2008 would have decreased by a significant 2.6%, with additional pressure for agricultural pig meat market prices resulting from the general consumer preference shifting towards lower-price marketing channels and price points.

In 2008 as compared to 2007, EU-27 **poultry** meat production increased slightly (+0.8%), rendering poultry the only meat species which showed a positive annual rate of change in terms of domestic output, following a relatively favourable price and demand situation and the possibility of comparably flexible and coordinated production adjustments at sector level.

Poultry meat imports are expected to have decreased by 0.7% in 2008 (however, coming from a rather high import level in 2007), with processed poultry meat and poultry meat preparations successively gaining import market shares at the expense of poultry carcasses; a development, which is also reflected in the increasing unit values of EU-27 poultry meat imports from third countries. While the quantities the EU imported from Brazil fell, imports from Thailand increased in 2008 as compared to 2007.

EU-27 poultry meat exports to third countries are estimated to have increased by 12% in 2008 as compared to 2007, with higher export volumes having been delivered to Saudi Arabia, Ukraine and Benin. After a cut in the refund rates paid, refunded poultry meat exports (mainly to the Middle East) have decreased substantially.

Thanks to an increased availability due to higher domestic production, EU-27 poultry meat consumption is estimated to have remained rather stable in 2008.

In 2008 as compared to 2007, EU-27 sheep meat production is estimated to have decreased by a substantial and unexpected 7.1%, mainly resulting from a considerably lower output recorded in Spain and France, probably resulting from higher mortality and lower productivity rates following the outbreaks of the Blue Tongue disease.

Sheep meat prices developed at comparably high levels throughout the year 2008, reflecting a situation of limited supplies. The EU average price of light lamb in 2008 was 6070 Euros/ton carcass weight (+3.6% as compared to 2007), the average price of heavy lamb amounted to 4270 Euros/ton carcass weight (+7.0% as compared to 2007).

Regarding trade, EU-27 sheep meat imports in 2008 increased slightly, with New Zealand (99%), Australia (99%) and Uruguay (98%) nearly fully using their import quotas.

In 2008 as compared to 2007, EU-27 sheep meat consumption is estimated to have fallen by 5.5%, following both tight supplies, relatively high prices and a weakening domestic demand.

9. The dynamic increase of **milk** deliveries observed during January-March 2008 (+2.9% in the EU-27) came to a halt with the start of the new quota year from April with

deliveries at the EU-27 level falling marginally below last year's level for the April-October period (by a modest -0.3%), driven by the sharp decline in German deliveries due to the milk strike in May-June 2008 and lower milk prices paid to producers caused by declining demand for dairy commodities, initially as a result of high commodity prices and followed by worsening macroeconomic conditions. However, EU-10 milk deliveries continued expanding into the new quota year with an increase of 0.9% over the April-October period (versus +1.9% in January-March), mainly driven by expansion in Poland, Estonia and Lithuania. On the other hand, the aggregate in Romania and Bulgaria milk deliveries continued to decline during April-October (by -7.8%), driven by the sharp drop in Bulgarian deliveries as a consequence of insufficient feed supply (due to drought) and lengthy protest by producers against government policies to receive more subsidies despite exhausting the maximum limits of state aid. As a consequence EU milk production is estimated to increase to 148.7 million t in 2008, with a growth of 0.4% in the EU-15 and 0.7% in the EU-12.

EU cow's milk deliveries in the calendar year 2008 are estimated to have increased slightly from 2007 to 133.6 mio t (+0.5%) with a stronger expansion in the EU-12 (+1.3%) versus the EU-15 (+0.4%). This implies that the 2% quota increase decided for the 2008/09 quota year will hardly be utilised at the EU level despite the relatively favourable milk price paid to producers, leading to an even higher level of net deliveries quota undershoot for EU deliveries of around -3.8%. It should be noted that this outlook assumes no relaxation to the strict French quota system and that Germany will not be able to compensate for the loss of milk deliveries during the milk strikes.

The EU-27 dairy herd is estimated at 24 million heads, which corresponds to a slight decline of 0.8% from December 2007. As a consequence of the developments in milk production and herd size the calculated yield per dairy cow displays an increase of 1.3% in 2008 to 6046 kg/dairy cow.

The 2007/08 quota year ended with an aggregate quota-underutilisation of 2.2 million t (or -1.5%), which is around the same level as the previous quota year. Following two years of growing quota but declining quota utilisation, both EU-15 and EU-10 fulfilment rates improved slightly in 2007/08 at -0.6% and -5.3% respectively. On the other hand quota fulfilment in Romania and Bulgaria was very low at -24% (or 0.5 million t).

Based on the current market outlook the 2008/09 quota year would conclude with a net undershoot for EU deliveries quota of 5.4 mio t (or -3.8%) with both EU-15 and EU-12 falling further below their respective quota levels by -3% and -8.3% respectively (driven by the huge decrease in Romania and Bulgaria). While the 2007/08 quota year ended with seven Member States over-fulfilling their respective quotas by an aggregate level of 1.2 million tonnes, the current quota year is projected to conclude with around 430 thousand tonnes subject to surplus levy payments by four Member States, namely Austria, Italy, the Netherlands and Cyprus.

Following the considerable +14.4% increase in calendar year 2007, the annual weighted EU producer price increased further in 2008 by an estimated 9% year-on-year (to 34.8 €/100 kg). The monthly development was less favourable with the average EU producer price displaying a decline since December 2007 and throughout 2008. As input prices remained firm throughout the first semester of 2008, in particular energy, feed and fertilizer prices, the decline in milk prices has put serious pressure on producers' margins in a number of Member States prompting strikes by milk producers.

The latest annual statistics from Eurostat show that EU-27 production of all **cheeses** in dairies stagnated in 2007. The lack of increase (following three years of dynamic expansion) is explainable by the exceptionally high prices of bulk commodities that led to increasing amounts of milk used for the production of butter and SMP. In 2008 a firm EU demand kept cheese prices comfortably above those of bulk commodities, making cheese production more profitable than that of butter/SMP, but even so cheese production expanded by a marginal rate of 0.5% partly due to the drop in German production and the limited growth in consumption, probably as consequence of the high consumer prices.

Extra-EU exports are estimated at 545 thousand t in 2008, a decline of 9% as the growth in domestic use (+0.9%) exceeded that of production. Imports continued their decline in 2008 to an estimated 81 thousand t (-14%).

The market balance for **butter** has come under pressure in 2008 as a marginal (+0.3%) growth in production together with low EU and world demand have led to plummeting butter (EU and world) prices and the accumulation of private stocks, estimated at 121 thousand t (+40 thousand t). Domestic consumption contracted by 0.7% and exports shrunk to 143 thousand t, a significant decline of 32% in the face of lower demand and intense competition from the US and New Zealand.

Despite the near 6% decline in production, the **SMP** market balance also came under increasing pressure in 2008 due to a considerable decline in exports (-19%) and reduced EU demand (-4%) leading to the accumulation of private stocks, estimated at 173 thousand t (+45 thousand t). The weakening exports were due to increased US and Oceania exports at lower prices while reduced EU demand came from the contracting veal sector, buying a higher share of whey instead of SMP in their feed as whey prices decreased earlier and faster than SMP prices in 2008.

WMP output increased considerably in 2008 (+11%) driven by the favourable position on the world market during the first semester, prior to the production growth in Oceania, allowing EU exports at an estimated 463 thousand t (+27%).

EU production of **fresh dairy products** in 2008 showed stagnation (+0.1%) with only drinking milk and other fresh products expanding by 0.4% and 1.1% respectively, cream production stagnating and acidified milk output contracting by 1.5% for the first time following years of steady expansion. Per capita consumption declined in both EU-15 (-0.4%) and EU-12 (-1.5%) that can be explained by the high price environment over 2008.

In 2008 the production of **concentrated milk and whey powder** is estimated to have decreased by 1.1%, and 0.3% respectively, while **casein** output increased by 6.2%.

Agricultural income

10. The first estimates of farm income developments in 2008 provided by Eurostat on the basis of information sent by Member States in December 2008 show an average decrease of 4.6% in the income from agricultural activities (measured, in real terms, as the factor income per annual work unit) compared to 2007 for the European Union as a whole. The increase in agricultural income results from a reduction in **agricultural labour input** (-2.1 %), and a fall in **real agricultural income** (-6.3 %). This decrease

in EU-27 **real agricultural income** in 2008 is itself the result of an increase in **agricultural output at basic prices** in real value terms (+4.1 %, mainly reflecting higher output values of animal products (+6.1%) and crop products (+2.9%)), and a remarkable rise in **input costs** (+10.8 %, resulting for the most part from higher prices for fertilisers and soil improvers (+67.1%), energy and lubricants (+22.1%) as well as feedstuffs (+19.5%)). Increases in fixed capital consumption (+2.4%) and taxes (+1.1%) combined with a reduction in the value of subsidies (-1.1%) additionally contributed to higher production costs. Agricultural income per worker in 2008 was below the 2007 levels in **twenty** Member States. The largest decreases were observed in Belgium (-25.6%), Estonia (-22.1%) and Latvia (-17.5 %), while the largest increases were recorded in Bulgaria (+24.5%), Romania (21.4 %) and Hungary (+14.6%).

11. The structural decline in the **agricultural labour force** is assessed at -2.1 % in 2008 as compared to 2007 for the whole EU. This moderate reduction constitutes a marked slow down compared to the early 2000s. The highest reduction in agricultural labour input was recorded in Lithuania (-17.5%), Bulgaria (-10.8 %), Latvia (-6.8%) and Estonia (-5.2%). Agricultural labour input increased only in Poland (+2.2%).

Changes in nominal farm-gate prices in 2008 and 2007 (%)

Member States	Crop products		Livestock products		Total	
	2008/2007(p)	2007/2006	2008/2007 (p)	2007/2006	2008/2007 (p)	2007/2006
EU-27	3,2	14,2	10,4	3,9	6,5	9,3
Belgique/België	-3,8	4,7	4,6	2,9	1,1	3,6
Bulgaria	12,2	42,9	13,6	6	13,1	20,6
Česká Republika	13,6	32,8	9,4	1,7	10,7	16,8
Danmark	7,0	20,6	13,0	-5,0	11,1	2,2
Deutschland	4,5	12,9	8,7	7,8	6,9	10,0
Eesti	14,3	22,4	17,4	6,0	16,8	8,8
Éire/Ireland	-14,5	21,1	8,5	7,4	3,9	9,9
Elláda	2,0	9,6	4,7	0,2	2,7	7,1
España	7,0	9,3	4,0	1,6	5,9	6,0
France	-0,3	19,0	11,0	2,1	4,4	11,3
Italia	6,1	5,7	6,0	0,8	6,1	3,9
Kypros/Kibris	7,8	5,8	14,8	3,1	10,6	4,7
Latvija	3,6	37,6	3,3	8,3	3,4	19,2
Lietuva	-6,1	25,2	14,3	11,6	1,3	19,9
Luxembourg	3,6	11,6	11,3	7,9	9,6	8,7
Magyarország	-7,7	40,5	13,0	3,6	1,0	22,2
Malta	-1,7	15,8	6,3	2,8	3,9	6,4
Nederland	-7,9	2,9	7,1	7,7	-1,4	5,0
Österreich	4,6	17,6	11,3	2,5	8,8	7,8
Polska	-7,2	20,8	4,7	7,5	-2,0	14,5
Portugal	2,1	4,2	6,1	4,6	3,7	4,4
România	9,7	32,3	14,3	3,8	11,5	19,4
Slovenija	9,8	18,4	12,3	3,1	11,3	8,2
Slovensko	16,3	24,0	8,2	-2,0	10,9	5,4
Suomi/Finland	7,8	18,4	14,6	-0,3	12,1	5,9
Sverige	-2,2	27,4	17,6	4,1	8,7	13,4
United Kingdom	16,3	21,8	27,0	7,1	22,2	13,2

(p) provisional – Source: Eurostat

Changes in nominal purchase prices for agricultural inputs in 2008 and 2007 (%)

Member States	Énergy and lubricants		Feedingstuffs		Total	
	2008/2007 (p)	2007/2006	2008/2007 (p)	2007/2006	2008/2007 (p)	2007/2006
EU-27	22,1	2,5	19,5	17,5	16,3	7,2
Belgique/België	30,7	4,9	13,7	17,5	15,2	10,5
Bulgaria	5,3	4,6	23,9	23,9	:	:
Česká Republika	14,3	2,2	25,7	17,1	13,8	6,5
Danmark	23,4	0,8	33,7	17,7	20,0	8,6
Deutschland	:	1,1	:	23,9	:	7,1
Eesti	18,3	4,3	22,9	18,3	:	:
Éire/Ireland	18,1	3,6	14,9	13,1	16,7	6,0
Elláda	22,4	2,6	22,3	15,0	15,3	6,3
España	29,4	2,1	21,4	14,3	20,4	5,7
France	30,7	0,7	18,2	15,9	13,6	5,6
Italia	20,5	2,7	14,4	13,1	11,7	7,0
Kypros/Kıbrıs	20,5	0,6	21,8	16,5	15,9	9,7
Latvija	26,7	5,2	14,6	44,2	23,0	11,8
Lietuva	28,0	1,2	22,2	19,3	30,5	:
Luxembourg	22,7	2,2	17,1	22,0	11,5	6,4
Magyarország	19,1	4,0	24,4	33,4	15,4	14,1
Malta	17,6	-4,1	34,7	12,1	22,2	6,3
Nederland	8,7	-1,8	14,4	24,4	8,6	7,7
Österreich	17,2	4,2	18,6	37,5	9,1	6,5
Polska	10,5	4,3	15,1	17,5	11,5	8,0
Portugal	18,9	4,0	14,4	13,9	10,2	7,0
România	:	:	:	:	:	:
Slovenija	21,9	1,7	27,2	26,3	20,1	9,2
Slovensko	16,9	3,5	16,2	15,8	13,6	5,1
Suomi/Finland	17,2	8,6	4,0	22,7	10,7	9,6
Sverige	20,8	-1,0	20,8	21,6	15,0	7,2
United Kingdom	48,0	2,3	27,7	20,6	25,5	8,9

(p) provisional – Source: Eurostat

**Nominal output price indices for agricultural products
over the 2006–2008 (p) period
(2000 = 100)**

Member States	2006	2007	2008
EU-27	112,2	122,6	130,6
Belgique/België	108,7	112,6	113,8
Bulgaria	104,0	125,4	141,8
Česká Republika	97,3	113,6	125,8
Danmark	98,8	101,0	113,5
Deutschland	107,5	118,2	126,3
Eesti	133,6	145,4	169,8
Éire/Ireland	107,4	118,0	122,6
Elláda	133,2	142,6	146,5
España	109,2	115,8	122,6
France	102,3	113,9	118,9
Italia	109,0	113,3	120,2
Kypros/Kıbrıs	128,7	134,7	149,0
Latvija	147,1	175,3	181,3
Lietuva	137,3	164,6	166,8
Luxembourg	104,9	114,0	124,9
Magyarország	116,3	142,1	143,5
Malta	97,2	103,4	107,4
Nederland	112,4	118,0	116,4
Österreich	107,8	116,2	126,6
Polska	111,5	127,7	125,2
Portugal	113,3	118,3	122,7
România	236,2	282,0	314,5
Slovenija	118,9	128,6	143,2
Slovensko	101,1	106,6	118,2
Suomi/Finland	103,2	109,3	122,5
Sverige	101,5	115,1	125,1
United Kingdom	114,2	129,3	158,0

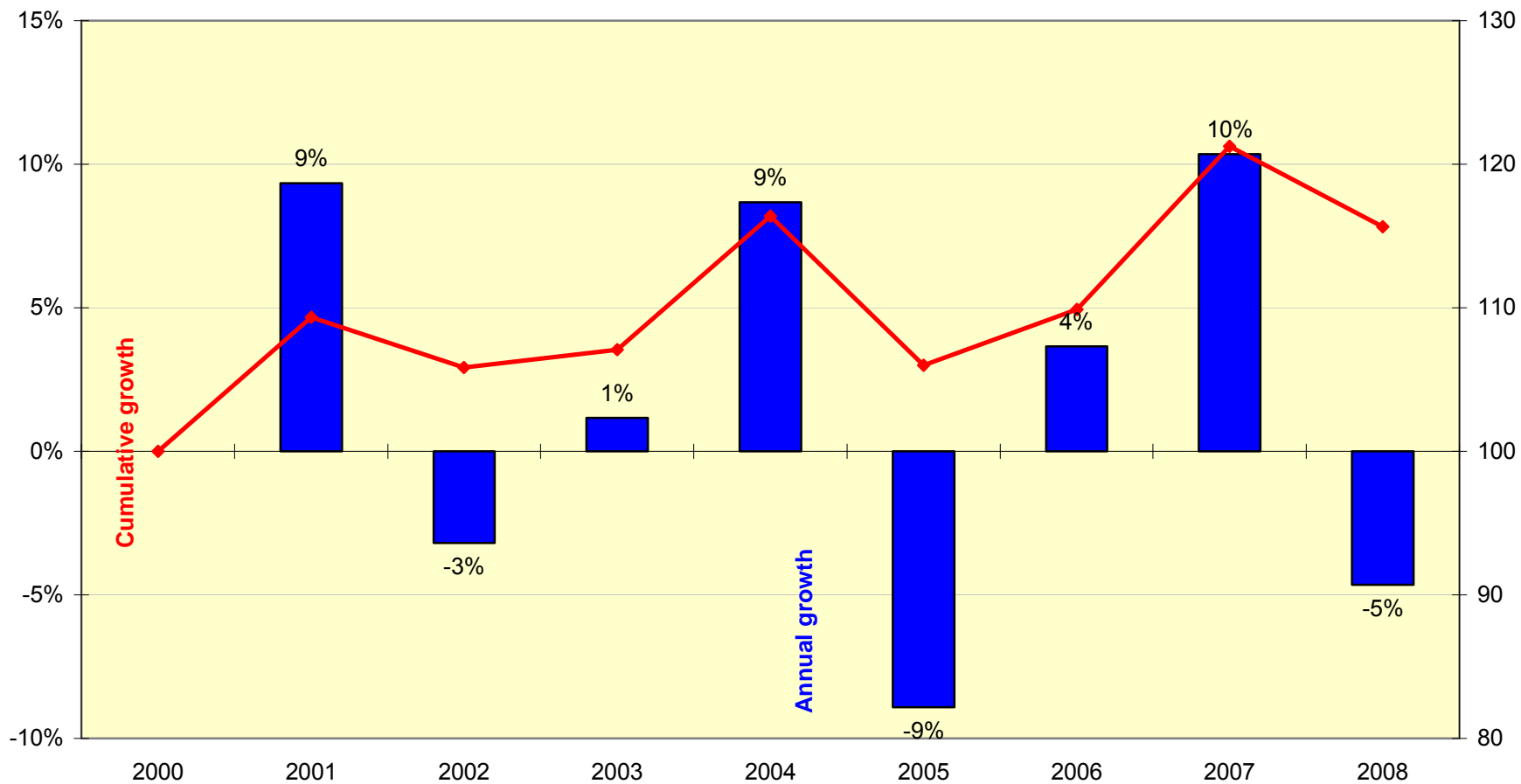
(p) provisional – Source: Eurostat

**Indices of nominal purchase prices for goods and services currently consumed
in agriculture over the 2006–2008 (p) period (2000 = 100)**

Member States	2006	2007	2008
EU-27	116,4	124,8	145,1
Belgique/België	112,8	124,7	143,7
Bulgaria	:	:	:
Česká Republika	108,6	115,7	131,7
Danmark	112,6	122,3	146,8
Deutschland	111,2	119,1	:
Eesti	:	:	:
Éire/Ireland	121,7	129	150,6
Elláda	128,2	136,3	157,1
España	115,0	121,6	146,4
France	114,0	120,4	136,8
Italia	115,3	123,4	137,8
Kypros/Kıbrıs	157,3	172,5	200
Latvija	147,8	165,2	203,2
Lietuva	:	:	156,2
Luxembourg	111,9	119,1	132,8
Magyarország	136,7	156,0	180,1
Malta	108,7	115,5	139,6
Nederland	119,0	128,2	139,2
Österreich	111,4	118,6	129,4
Polska	124,0	133,9	149,3
Portugal	115,5	123,6	136,2
România	:	:	:
Slovenija	138,2	150,9	181,3
Slovensko	122,5	128,7	146,2
Suomi/Finland	116,1	127,2	140,8
Sverige	119,0	127,6	146,7
United Kingdom	119,6	130,2	163,5

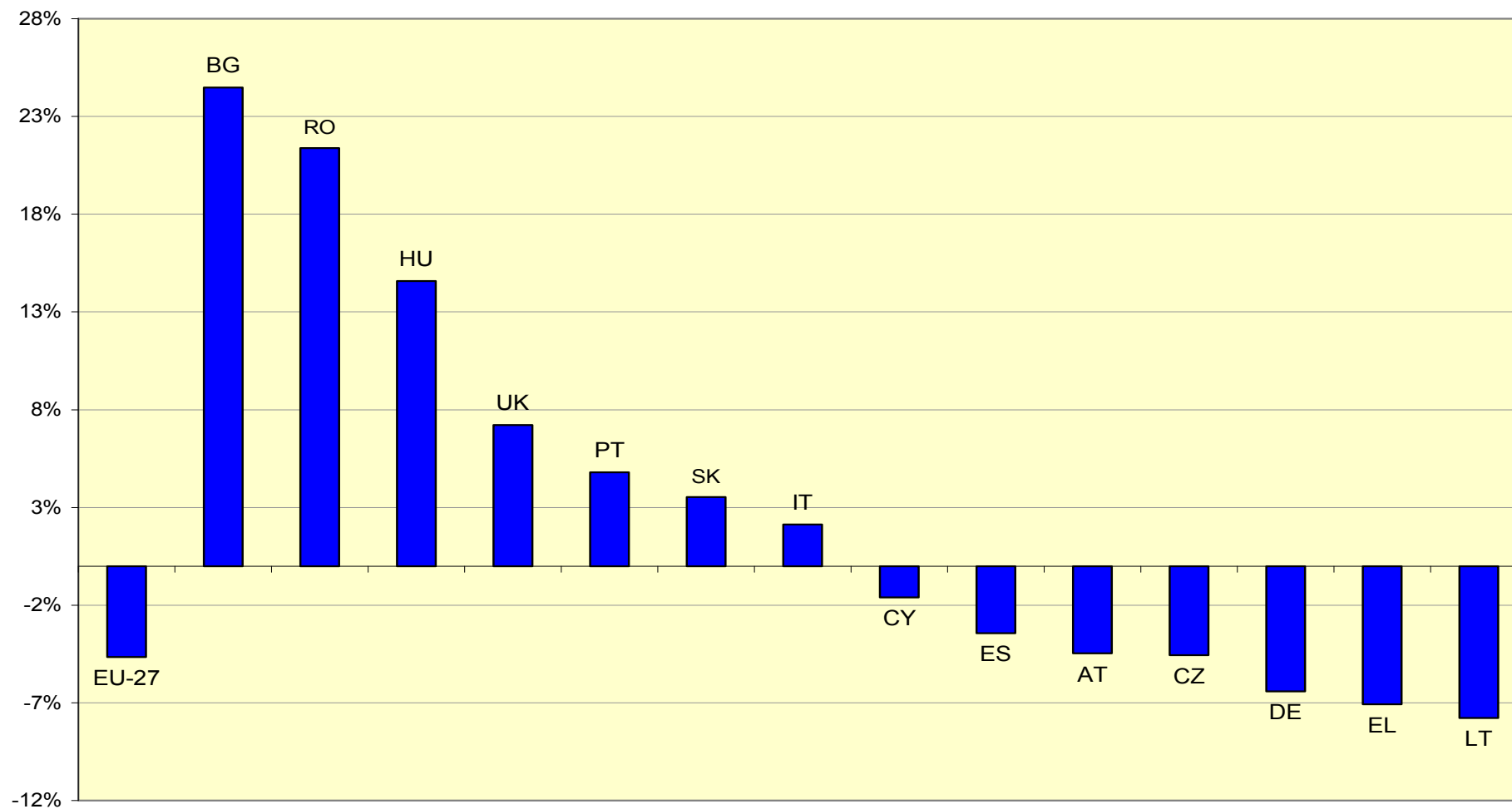
(p) provisional – Source: Eurostat

**Development of the agricultural income in the EU-27
over the 2000–2008 (p) period, in terms of annual change (%) and cumulative growth (2000=100)**



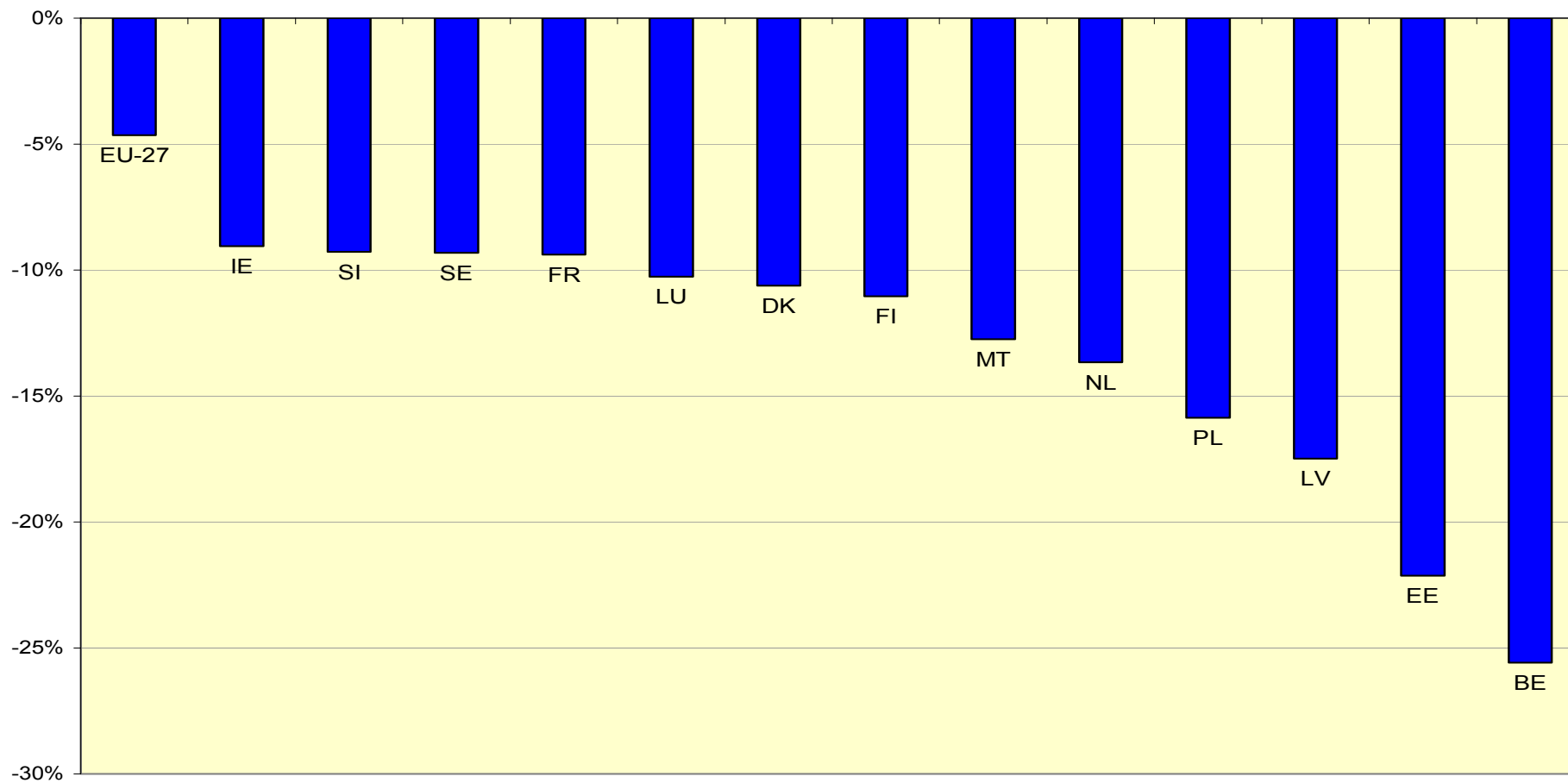
(p) provisional – Source: Eurostat

Agricultural income in the EU-27 Member States in 2008 (p) (% change versus 2007) 1st part



(p) provisional – Source: Eurostat

Development of agricultural income in the EU-27 Member States in 2008(p) (% change versus 2007) 2nd part



(p)provisional Source: Eurostat

**Development of agricultural income in the EU Member States
over the 2002–2008(p) period (average 2000 = 100)**

Member States	2002	2003	2004	2005	2006	2007	2008 (p)
EU-27	105,4	106,2	:	106,0	109,5	122,9	117,2
Belgique/België	128,9	91,8	93,9	96,9	78,2	114,6	85,3
Bulgaria	89,9	84,6	:	97,9	94,0	96,4	120,1
Česká Republika	99,6	87,3	137,5	152,2	155,6	197,0	188,0
Danmark	85,5	83,7	94,2	93,6	100,7	108,4	96,9
Deutschland	91,9	84,6	122,7	111,1	116,4	139,7	130,7
Eesti	128,5	136,5	229,4	248,4	232,6	327,1	254,7
Éire/Ireland	96,8	89,2	84,1	85,7	84,8	85,7	79,6
Elláda	104,5	118,1	108,6	95,9	95,5	102,5	99,0
España	97,7	95,8	94,4	89,7	99,0	109,6	99,4
France	82,7	79,3	83,9	100,1	88,1	102,4	93,1
Italia	96,5	96,8	97,3	85,1	82,0	79,8	81,5
Kypros/Kıbrıs	112,8	103,8	94,1	93,6	95,9	100,8	99,2
Latvija	127,7	140,0	233,2	243,0	317,8	347,6	286,8
Lietuva	85,9	96,5	152,6	190,0	177,8	303,2	279,6
Luxembourg	101,1	95,0	94,9	95,6	92,6	102,5	92,0
Magyarország	91,0	91,7	144,6	145,5	162,6	174,7	200,1
Malta	112,0	106,3	110,9	107,8	107,5	101,7	88,8
Nederland	79,6	85,5	79,5	78,7	94,0	92,1	79,5
Österreich	108,4	107,3	112,6	109,8	119,0	133,9	127,9
Polska	103,9	96,0	180,8	164,1	181,1	226,5	190,6
Portugal	102,4	103,4	114,3	105,0	109,6	105,1	110,1
România	159,2	179,9	261,1	148,9	147,9	117,3	142,4
Slovenija	114,5	90,2	139,1	139,8	136,3	148,6	134,8
Slovensko	107,5	100,5	130,1	121,3	148,0	156,3	161,8
Suomi/Finland	97,6	103,8	101,5	114,7	110,4	123,5	109,9
Sverige	118,5	117,3	101,5	109,0	116,5	137,1	124,3
United Kingdom	117,3	133,7	125,4	122,6	130,3	138,4	148,4

(p) provisional, - Source: Eurostat