



European  
Commission

# **CAP CONTEXT INDICATORS**

## **2014-2020**

### **28. GROSS FIXED CAPITAL FORMATION IN AGRICULTURE**

2017 update

## CONTEXT INDICATOR 28: GROSS FIXED CAPITAL FORMATION IN AGRICULTURE

Slightly more than 90% of all agricultural investment took place in the EU-15.

According to ESA 2010, Gross Fixed Capital Formation (GFCF) consists of producers' investments, deducting disposals, in fixed assets during a given period plus certain additions to the value of non-produced assets realized by the productive activity of producer or institutional units. Therefore, GFCF is a key element for future competitiveness.

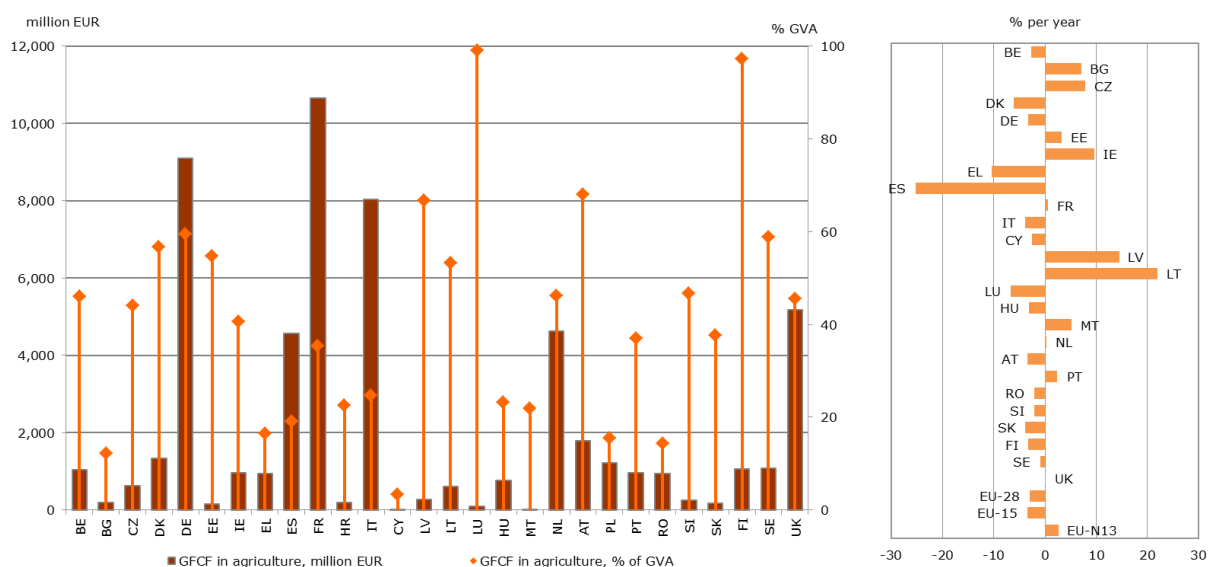
In 2015, the agricultural sector in the EU-28 invested EUR 56.8 billion, unchanged compared to 2014, accounting for 33.6% of the total agricultural GVA. In the EU-15, EUR 51.4 billion was invested or slightly more than 90% of the total. France, Germany and Italy accounted for much of this investment. Among EU-N13 countries, the highest level of investment comes from Poland, Romania and Hungary. In comparison with the total agricultural GVA, the highest levels of GFCF in agriculture are found in Luxembourg (99.1%) and Finland (97.3%). The lowest levels of investment in agriculture can be observed in Cyprus (3.5%) and Bulgaria (12.2%).

Between 2009 and 2015, GFCF in agriculture in the EU-28 faced a decrease at an average annual rate of -3.0%. However, in the EU-N13 a positive trend was observed (an average of +2.7% a year). 11 MS out of 28 recorded a positive average annual growth rate in the period, and 6 of them represented the EU-N13.<sup>1</sup> Lithuania showed the highest positive rate (+21.9% per year), followed by Latvia (+14.5% per year). GFCF in agriculture declined at the fastest rate in Spain (-25.3% per year), Greece (-10.3% per year) and Luxembourg (-6.7% per year).

Map 1 shows GFCF as a percentage of GVA in agriculture at NUTS2 level in 2014. At the NUTS 1 level, the rates are particularly high in several regions of the United Kingdom (North West, East Midlands, South West, Wales and Northern Ireland), in Germany and in Luxembourg.

<sup>1</sup> No data on GFCF is available for Poland and Croatia to calculate growth.

**Graph 1 - GFCF in agriculture in 2015 and its average annual growth rate, 2009-2015**



Note: No data available for HR and PL at constant prices to calculate growth.

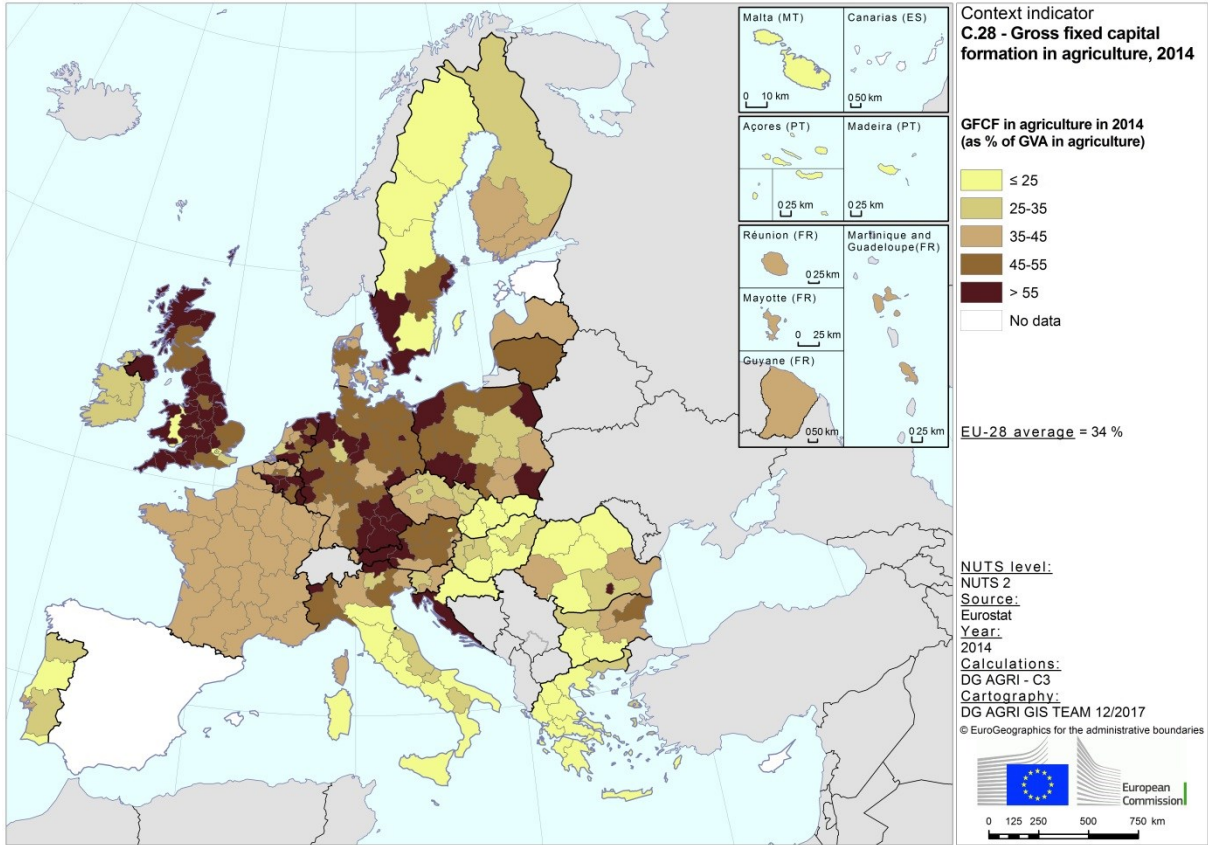
**Table 1 - Gross fixed capital formation in agriculture**

Indicator	C.28 - Gross fixed capital formation in agriculture		Change in gross fixed capital formation in agriculture
Measurement	Gross fixed capital formation in agriculture	Gross fixed capital formation in agriculture as % of GVA	Average annual growth rate of GFCF in agriculture (at constant prices)
Source	Eurostat Economic Accounts for Agriculture		Eurostat Economic Accounts for Agriculture
Year	2015	2015	2009 to 2015
Unit	million EUR	%	% per year
Country			
Belgium	1,031.2	46.1	-2.6
Bulgaria	197.2	12.2	7.1
Czech Republic	628.2	44.1	7.9
Denmark	1,331.2	56.7	-6.0
Germany	9,105.6	59.6	-3.3
Estonia	151.6	54.7	3.2
Ireland	964.6	40.6	9.6
Greece	942.3	16.4	-10.3
Spain	4,561.5	19.0	-25.3
France	10,658.1	35.4	0.6
Croatia	199.8	22.6	n.a.
Italy	8,039.6	24.7	-3.9
Cyprus	9.1	3.3	-2.6
Latvia	266.4	66.7	14.5
Lithuania	596.7	53.2	21.9
Luxembourg	98.6	99.1	-6.7
Hungary	756.3	23.3	-3.2
Malta	13.8	21.9	5.2
Netherlands	4,622.3	46.2	0.3
Austria	1,787.7	68.0	-3.4
Poland	1,219.9	15.5	n.a.
Portugal	969.8	37.0	2.4
Romania	934.7	14.4	-2.0
Slovenia	249.4	46.8	-2.1
Slovakia	178.5	37.7	-3.9
Finland	1,052.0	97.3	-3.2
Sweden	1,087.8	58.8	-0.9
United Kingdom	5,188.5	45.5	0.1
EU-28	56,842.2	33.6	-3.0
EU-15	51,440.7	35.6	-3.5
EU-N13	5,401.5	21.9	2.7

Note: GFCF at constant prices is used to calculate growth. No data on GFCF at constant prices is available for Poland and Croatia to calculate growth.

Context indicator	28 - Gross Fixed Capital Formation in agriculture
<b>Comments on methodology and data</b>	<p>National data: table aact_eaa01 (current prices), aact_eaa07 (constant prices), aact_eaa05 (to calculate GFCF in 2015 at constant prices). Variables: Gross value added at basic prices and Gross fixed capital formation (excluding deductible VAT).</p> <p>Regional data: table nama_10r_3gva</p> <p>There are differences between national and regional data since the former is based on the Economic accounts for agriculture and the latter is related to the National Accounts (ESA 2010).</p> <p>GVA and GFCF at basic prices are used. According to the World Bank, the basic price is the amount receivable by the producer exclusive of taxes payable on products and inclusive of subsidies receivable on products.</p>

**Map 1 - GFCF in agriculture (as % of GVA in agriculture), 2014**



**Map 2 - Change in GFCF in agriculture, 2009-2015**

