



Brussels, 3 September 2007
TV D(2007)
(DEV-RU) 27295

NOTE FOR THE FILE

Subject: The importance and contribution of the agri-food sector to the sustainable development of rural areas

1. INTRODUCTION

This note aims to provide the socio-economic background to help assessing the perspectives of the EU agri-food sector in rural areas.

Beyond the direct "classical" economic and social conditions, the development of the agri-food sector in Europe is largely based on a wide diversity of natural conditions and of traditional and cultural specificities. The regional dimension is therefore particularly important.

Unfortunately, regional data are quite limited for a detailed analysis of the agri-food sector. For instance, in the economic accounts, agriculture is merged with hunting and forestry (and also with fishing at a detailed NUTS 3 regional level) and concerning the food industry, only data on employment are available at NUTS 2 regional level¹. Whilst in most cases employment reflects fairly well the turnover, in case of high value added activities, such as wine production for instance, it may give a distorted view of the value added of the sector. Therefore the lack of regional data concerning the food industry limits the extent of the analysis.

2. SOCIO-ECONOMIC SITUATION IN RURAL AREAS

Despite the long-term trend of urbanisation, rural areas still represent in the EU-27 some 91% of the territory and 56% of the population². In 2004, they generated 43% of GVA in the EU-27 and provided 53% of the employment³.

¹ Some of the reasons are the huge diversity of agri-food products, the difficulty to provide regional figures for companies having activities in different regions and, in some cases, the prominent positions of some companies that do not allow disseminating the information (eventually even at national level) for reasons of confidentiality.

² According to OECD definition which is based on population density (see annex 1).

Rural areas tend to lag as regards a number of socio-economic indicators compared to non-rural areas (income per capita, lower employment rates, higher unemployment, demographic situation in some areas, development of the tertiary sector, activity of women and young people, human capital). For example, in rural areas, income per habitant is around 20% lower⁴ than in urban areas, with lower employment rate and higher unemployment rate.

Over the last years, whilst the employment rate progressed slightly less in rural areas (respectively +0.9 and +1.5 percentage points), the rate of unemployment decreased more than in urban areas (respectively -0.4 and +0.2 percentage points). However income per capita increased at the same rate in rural and urban areas (on average around 4.5% per year between "1996" and "2003"⁵).

Like in urban regions, the economy of EU rural areas depends largely on the manufacturing and service sectors, with services dominating. Many rural areas are now driven by urban economies as in-migration has occurred around metropolitan centres. For the EU-27, the share of Gross Value Added of the different sectors in rural regions⁶ in 2004 was 4% for the primary sector (agriculture, forestry and fishing), 29% for the secondary sector and 67% for the tertiary sector. For urban regions the respective shares stood at 1%, 24% and 75%.

The corresponding shares for employment reached 11% / 29% / 60% in rural regions against 1% / 23% / 76% in urban regions. Whilst in most regions the primary sector accounts for less than 10% of total employment, this share stands around 14% in the predominantly rural areas, with rates above 25% in some rural areas of the East and South of the EU.

3. ENVIRONMENTAL FEATURES

Rural areas also play a major role for the environment and landscape in Europe as they have contributed over the centuries to creating and maintaining a variety of valuable semi-natural habitats and continue today to shape the majority of EU's landscapes. 96% of EU territory is covered by agriculture, forestry or natural areas⁷. 90% of agricultural area is in rural areas, even if the share of agricultural area in the territory is lower in rural areas (47%) than in urban areas (53%) due to the importance of forestry in some rural regions and countries. For instance, in rural areas of Estonia, Austria, Slovenia, Finland and Sweden forest covers the largest share of the territory. Forestry sector therefore plays a major role in the environment but also in the economy of many rural areas.

³ These figures may differ from those published in the 2006 publication "Rural Development in the European Union – Statistical and Economic Information – Report 2006" as the OECD definition has been slightly changed recently with a better representation of areas with an important urban centre.

⁴ As measured by GDP at purchasing power parity.

⁵ Development of GDP/capita in euros between 3-years averages of 1995-1997 and 2002-2004.

⁶ Regions are defined here at NUTS level 3.

⁷ Corine Land Cover 2000- excluding French overseas departments, Açores and Madeira.

4. DEVELOPMENT OF THE AGRI-FOOD SECTOR

The combined agricultural and food sector⁸ represents an important part of the EU economy accounting for 19.2m jobs (9% of total employment) and for 4.3% of GDP in EU-27. The agri-food sector is relatively more important in New Member States, particularly concerning the employment in primary sector, and in rural areas (table 1 and tables A.2.3, A.2.5 and map 3 in annex 2).

Table 1: Importance of the agri-food sector in EU-27

% GDP	EU-27	4.3	From 1.5% in Luxemburg to 20.9% in Romania. Also important in Greece (16.1%) and Lithuania (9.6%). (no national figures for BG, EE and CY due to the absence of data for food industry)
	EU-15	4.0	
	NMS-12	9.1	
% Employment	EU-27	9.0	From 2.7% in Luxemburg to 40.7% in Romania. Also important in Bulgaria (27.7%), Poland (21.6%), Lithuania (19.1%), Greece (16.3%), Austria (15.6%) and Latvia (15%).
	EU-15	5.9	
	NMS-12	21.8	
	<u>EU-27*</u>		
	1. Rural Areas	12.4	More than 40% in Romanian regions Nord-Est, Sud-Vest Oltenia, Sud – Muntenia and in Lubelskie (PL).
	1.1 Predominantly Rural	16.1	
	1.2 Intermediate Regions	11.7	Other selected regions: Severozapaden (BG) 35.7%, Peloponnisos (EL) 33.1%, Centro (PT) 26.9%, Burgenland (AT) 25.6%.
	2. Urban regions	4.2	
	*at NUTS-2 regional level. Primary sector also covers fishing in Germany, Ceuta (ES), French overseas departments, Malta, Romania and United Kingdom.		

⁸ Due to the restricted availability of regional statistical data for the agricultural sector, the agri-food sector is defined as the combination of the primary sector (branch A: agriculture, hunting and forestry) and the food industry (branch DA: Manufacture of food products; beverages and tobacco).

The primary sector

In 2004, the primary sector accounted for 2.1% of GDP in EU-27 but for more than 10% in some Member States such as Romania and Bulgaria (table 2 and tables A.2.1, A.2.4 and maps 1 and 4 in annex 2). Around 6.6% of jobs in EU-27 were in the primary sector with significant higher levels in several Member States (more than 20% in Bulgaria and Romania).

Table 2: Importance of primary sector in EU-27

% GDP	EU-27	2.1	From 0.5% in Luxemburg to 14.1% in Romania. Also important in Bulgaria (11.0%), Lithuania (5.8%), Greece (5.2%) and Poland (5.1%)
	EU-15	1.9	
	NMS-12	5.7	
% Employment	<u>EU-27*</u>		More than 20% in Romanian regions Sud – Muntenia and Sud-Est. Other selected regions: Severozapaden (BG) 18.7%, Alentejo (PT) 13.7%, Castilla-La Mancha (ES) 12.4%, Podlaskie (PL) 12.0%, Champagne-Ardenne (FR) 11.4%.
	1. Rural Areas	3.3	
	1.1 Predominantly Rural	4.5	
	1.2 Intermediate Regions	3.1	
	2. Urban regions	1.0	
*at NUTS-2 regional level. Excluding Germany and Greece.			
% GDP	EU-27	6.6	From 0.9% in United Kingdom to 38.4% in Romania. Also important in Bulgaria (27.5%), Poland (19.2%), Lithuania (15.7%), Austria (13.7%), Greece (12.3%), and Latvia (11.8%) Portugal (11.7%) and Slovenia (10.3%).
	EU-15	3.7	
	NMS-12	18.7	
% Employment	<u>EU-27*</u>		More than 40% in Romanian regions Nord-Est, Sud-Vest Oltenia, Sud. Other selected regions: Lubelskie (PL) 38.0%, Severozapaden (BG) 35.7%, Peloponnisos (EL) 30.0%, Centro (PT) 24.4%, Burgenland (AT) 23.1%.
	1. Rural Areas	9.7	
	1.1 Predominantly Rural	13.1	
	1.2 Intermediate Regions	9.0	
	2. Urban regions	2.4	
*at NUTS-2 regional level. Primary sector also covers fishing in Germany, Ceuta (ES), French overseas departments, Malta, Romania and United Kingdom.			

Even if the relative importance of the primary sector is decreasing over time (it accounted for 2.8% of GDP and for 9.3% of jobs in 1996 – respectively 2.3% and 7.8% in 2000), it still plays a major role in some regions. As examples⁹, the contribution of the primary sector to GDP is higher than 30% in Romanian regions Calarasi (with the maximum of 43%), Girgiu, Teleorman and Ialomita and in Bulgarian regions Silistra and Karzhali; and the share of employment is higher than 50% in Bulgarian regions Kardzhali (with the maximum of 55%) and Silistra, in Portuguese region Pinhal Interior Sul and in Greek region Lakonia.

⁹ Regions are defined here at NUTS level 3 (NUTS 2 for IT and UK for employment) and primary sector also covers fishing. Greece is not covered for GVA (no regional data reported).

The primary sector is of course particularly important for "predominantly rural" regions: for 7% of them the contribution of the primary sector to GDP is higher than 20% and for almost 25% of them the share in employment of the primary sector is higher than 20%.

Following the successive enlargements, the number of farms in the EU increased from 5.8 million of holdings in 1980 to 14.5 million in 2005. Despite the "mechanical" increase due to the successive enlargements of the EU, the number of holdings follows a structural decrease¹⁰ triggered by productivity gains which are largely supported by technological progress (e.g. mechanisation, development in crop and animal genetics) as well as the overall economic pressures. With the restructuring of the sector and the successive enlargements, the average physical size of the European farm increased from 13 ha in 1980 to 21.4 ha in 2005 for EU-15 (but to 12 ha for EU-27).

In 2005 the labour force working on agricultural holdings in EU-27 reached 12.7 million full time equivalents (annual work units). The development of the labour force follows roughly the development of the number of holdings¹¹. However, when taking account of the part-time workers, the number of persons working in agriculture reached nearly 30 million people in 2007.

¹⁰ For EU-15 the number of holdings decreased by 1.5 million (21%) between 1995 and 2005, an annual rate of 2.3 %.

¹¹ The annual rate of decrease stands at 1.9 % for EU-15 over the period 1995-2007.

The food industry

The EU is the world's largest producer of food and beverages, with turnover estimated at bio €836¹². It remains highly polarised and fragmented in terms of size (the sector is made up of 99% SMEs producing about 50% of total turnover) with significant opportunities and threats for firms.

In 2004, the food industry accounted for 2.2% of GDP in EU-27 but for more than 6% in Romania (table 3 and tables A.2.2, A.2.5 and map 2 in annex 2). More than 5 millions jobs (or 2.4%) of EU-27 were in the food industry.

The largest activity is manufacture of bread, sugar, confectionary and other food products (around 1/3), followed by beverages and meat processing (around 1/6 each) and by tobacco and dairy products (around 9% each)¹³.

Table 3: Importance of food industry in EU-27

% GDP	EU-27	2.2	From 0.9% in Luxemburg to 6.8% in Romania. Also important in Ireland (4.5%), Latvia (3.9%) and Czech Republic (3.3%). (no national figures for BG, EE and CY)
	EU-15	2.1	
	NMS-12	3.4	
% Employment	EU-27	2.4	From 1.3% in Luxemburg to 4.7% in Bulgaria. Also important in Estonia (3.6%), Hungary (3.6%), and Poland (3.6%). More than 6% in Del-Alfold (HU), La Rioja (ES) and Bretagne (FR). Other selected regions: East Riding and North Lincolnshire (UK) 5.7%, Açores (PT) 5.6%, Kujawsko-Pomorskie (PL) 5.4%, Ipeiros (EL) 4.8%, Niederbayern (DE) 4.5%.
	EU-15	2.2	
	NMS-12	3.2	
	<u>EU-27*</u>		
	1. Rural Areas	2.7	
	1.1 Predominantly Rural	3.0	
	1.2 Intermediate Regions	2.7	
	2. Urban regions	1.8	

All over Europe, some regions are highly specialised in the food industry: La Rioja and Navarra (ES), Bretagne and Pays de la Loire (FR), Del-Alfold and Eszak-Alfold (HU), Açores (PT), East Riding and North Lincolnshire (UK), Kujawsko-Pomorskie and Wielkopolskie (PL), Ipeiros and Kentriki Makedonia (EL), Niederbayern and Tier (DE).

If over the last years the employment on farms decreased significantly, the average annual decrease was limited to less than 0.5% in the food industry. Over the last years employment in the food industry grew in some MS (Spain, Italy, Cyprus and Malta) with annual increase even higher than 5% in several regions¹⁴.

¹² CIAA benchmarking report 2007 update.

¹³ For EU-25 in 2003 – EC(2006) – Eurostat - European business – facts and figures 1995-2005

¹⁴ e.g. Namur (BE); Lorraine (FR); Dessau, Halle and Gieben (DE); Castilla-La Mancha (ES); Jihozapad (CZ), Açores (PT).

Special features of the workforce in the food industry in comparison to other industrial sector are the high proportions of women and of part-time jobs in almost all Member States¹⁵.

The importance of part-time jobs may explain that, at around 40 thousands euros per person employed, apparent labour productivity in the food industry in 2004 was 10% lower than the average in manufacture industry (branch D). It should be noticed however that labour productivity grew more over the last years (2000 to 2004) in the food industry than in the total of manufacture industry (annual rates of 2.6% and 1.9% respectively).

5. PERSPECTIVES FOR RURAL AREAS

The future of EU rural areas depends on several driving forces and long-term trends. From different recent research studies and reports¹⁶ we can draw a framework for the European agricultural and rural economy for the coming years.

The trends and drivers:

- Rural economy will continue to evolve with an increasing importance of service sector. It will be driven by the urbanisation of rural areas around the metropolitan centres where in-migration is occurring, but also thanks to increasing connections with urban economies.
- Rural activity can exist without agriculture and, in the contrary, strong agriculture can exist where rural dynamic is limited. The economy of some rural areas depends largely on agricultural activity and it will still be so in the future.
- Strong migratory currents leading to critical population situation may occur in some rural areas where marginalisation occurs (especially along the eastern border of the EU). It is due to a combination of employment potential in all sectors, specific to each region, in a context where the employment rate in both agriculture and industry is declining throughout Europe.
- The ongoing long-term process of structural adjustment of EU agriculture will continue mainly due to the productivity gains supported by technological progress and to the overall economic pressures: the volume of labour will decrease with an increase of average size of farms as area devoted to agriculture should diminish slowly. Adjustment of EU food-industry will also continue following productivity gains.
- An increased segmentation of the EU market will take place because of the growing relative importance of transport costs.
- Climate change will influence EU agriculture in a differentiated way: it will impact the yields and influence the management of natural resources (i.e. water).

¹⁵ For EU-25 in 2005 – EC(2006) – Eurostat - European business – facts and figures 1995-2005

¹⁶ EC(2006) DG AGRI - Scenar 2020 – Scenario study on agriculture and the rural world
- Agriculture in the Overall Economy (ongoing)

- Demand for agri-food products will evolve: there will be a slower increase in terms of volume but the composition of food consumption will change. Income growth, urbanisation and dietary diversification will lead to new demands for quality and certified products.
- Social demand that is also driven by environmental and health concerns will likely also define the natural and social constraints on EU land use and on agricultural practices.

The perspectives:

- When assessing the potential dynamics of rural economies measured by employment growth, research found that there would be a higher proportion of "agricultural" regions (characterised by a high share of agricultural employment) displaying an employment decline. Predominantly rural regions would also react more frequently than other regions by an employment decline. However, some rural regions may become specialised in the agricultural activity and the presence of a competitive and dynamic food sector (but also an overall supply-chain) will be key to their long-term future.
- A further liberalisation of the world agricultural market, would have a greater impact on agricultural income than on land use and would increase the pressure to decrease labour in farming. Some sectors being more impacted (i.e. beef and poultry) it may have a strong effect on regions specialised in these production, that are in some cases areas with few other opportunities (grassland production in mountain and less favoured areas). These regions may need support to develop a competitive and dynamic agri-food sector.
- Rural areas have of course great potential to meet the growing demand for the provision of rural amenities and tourism, their attractiveness as a place to live and work, and their role as a reservoir of natural resources and highly valued landscapes. These potentials should remain closely linked in many of these rural areas to the presence of a competitive and dynamic supply-chain (such as in regions specialised in wine production).
- There are also new demands, both in Europe and globally, offering great opportunities for the agri-food sector such as:
 - The increasing demand for high quality products such as certified and organic products creating various "niche" markets.
 - The increasing demand for non-food products particularly driven by the development of a sustainable economy: bio-fuel, recyclable products in various industries, etc.
- To meet these evolving market demands in a sustainable way the EU agri-food sector must seize the opportunities offered by new approaches, technologies and innovation.

OECD methodology to define rural areas

The OECD methodology is based on population density (OECD, Creating rural indicators for shaping territorial policy, Paris, 1994).

It is based on a two-step approach:

First, local units (e.g. municipalities) are identified as rural if their population density is below 150 inhabitants per square kilometre.

Then, regions (e.g. NUTS 3 or NUTS 2), are classified in one of the 3 categories:

- Predominantly Rural region (PR) : if more than 50% of the population of the region is living in rural communes (with less than 150 inhabitants / km²)
- Intermediate Region (IR) : if 15% to 50% of the population of the region is living in rural local units
- Predominantly Urban region (PU) : if less than 15% of the population of the region is living in rural local units.

OECD introduced changes in the second step of the methodology (OECD, The state of rural policy, Paris, 2005):

- if there is an urban centre > 200.000 inhabitants (in EU) representing no less than 25% of the regional population in a "predominantly rural" region, it is re-classified as "intermediate"
- if there is an urban centre > 500.000 inhabitants (in EU) representing no less than 25% of the regional population in an "intermediate" region, it is re-classified as "predominantly urban".

An "urban center" in Europe is defined as a local unit LAU2 (e.g. municipality) with a population density above 150 inhabitants per Km² and total population above 200.000 inhabitants.

For the purpose of this note, rural areas are defined as the predominantly rural regions and the intermediate regions.

Annex 2: Importance of agri-food sector by Member States and type of areas.

Table A2.1 Share of employment in primary sector (agriculture, hunting and forestry) in 2004*

Member States	Type of Areas				National
	1. Rural	1.1. Predominantly Rural	1.2. Intermediate Regions	2. Predominantly Urban	
BE	2.3	4.8	1.9	2.0	2.0
BG	29.8	35.7	28.5	13.4	23.6 reg acc.
CZ	4.7		4.7	0.4	4.0
DK	2.9		2.9		2.9
DE	3.4	5.0	3.3	1.7	2.2
EE				5.2	5.2
IE	6.1	9.0	5.1		6.1
EL	19.2	20.5	16.9	0.9	13.3 reg acc.
ES	8.9	15.3	7.7	3.1	5.1
FR	4.3	6.1	4.2	1.0	3.5
IT	5.7	6.9	5.5	2.6	4.0
CY	5.4		5.4		5.4
LV				11.8	11.8
LT	15.9		15.9		15.9
LU	1.3		1.3		1.3
HU	6.7	8.8	4.5	1.5	5.1
MT				2.2	2.2 est. Agri
NL	4.3		4.3	2.5	3.3
AT	17.1	18.3	14.3	3.8	13.5 reg acc.
PL	18.2	22.5	15.5	10.8	18.1
PT	15.7	13.4	15.9	1.7	11.7
RO	35.4		35.4	1.6	38.2 2003 a_b
SI	10.3	10.3			10.3
SK	4.5		4.5	2.0	4.4
FI	5.1	7.9	2.5		5.1
SE	2.7	2.7	2.5	0.4	2.2
UK	2.3	3.3	2.3	0.9	0.9
EU-27	9.7	13.1	9.0	2.4	6.6

Source: Eurostat – Economic Accounts (Labour Force Survey for results by types of areas for RO and UK).

*: for results by "Types of area": including fishing for DE, Ceuta (ES), French DOM, MT, RO and UK
for national results for RO: including fishing – year 2003

MAP 1

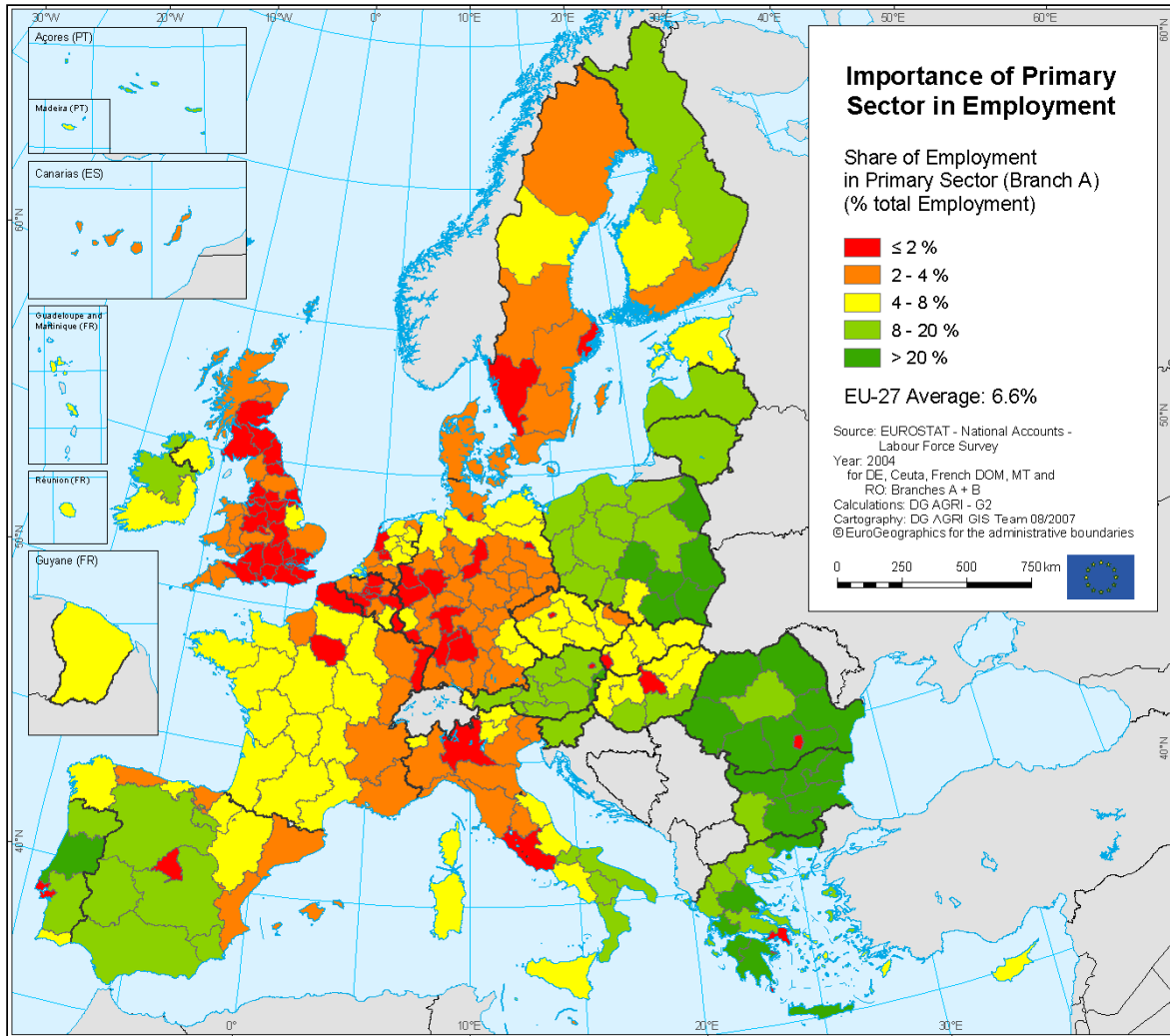


Table A2.2 Share of employment in food industry (food products, beverage and tobacco) in 2004

Member States	Type of Areas				National
	1. Rural	1.1. Predominantly Rural	1.2. Intermediate Regions	2. Predominantly Urban	
BE	2.9	3.4	2.8	2.5	2.3
BG	n.a.	n.a.	n.a.	n.a.	4.1 LFS
CZ	3.1		3.1	1.0	3.0
DK	2.7		2.7		2.7
DE	2.8	4.0	2.7	2.0	2.5
EE				3.6	3.6 LFS
IE	2.9	3.1	2.9		2.9
EL	3.1	3.0	3.4	2.2	3.0 LFS
ES	2.8	3.8	2.6	2.4	2.4
FR	3.3	3.0	3.3	1.5	2.3
IT	2.0	2.2	2.0	1.8	2.0
CY	3.1		3.1		3.1 LFS
LV				3.2	3.2 LFS
LT	3.2		3.2		3.2
LU	1.3		1.3		1.3
HU	4.5	5.2	3.8	1.9	3.6
MT				3.1	3.1 LFS
NL	2.8		2.8	1.9	1.7
AT	2.2	2.0	2.6	1.8	2.1 LFS
PL	3.9	4.2	3.6	3.5	3.4
PT	2.3	3.5	2.2	1.6	2.3
RO	2.5		2.5	2.6	2.5 LFS
SI	2.4	2.4			2.4
SK	2.9		2.9	1.8	2.6
FI	1.7	1.7	1.7		1.7
SE	1.7	1.4	2.6	0.9	1.4
UK	2.2	3.1	2.1	1.2	1.8
EU-27	2.7	3.0	2.7	1.8	2.4

Source: Eurostat

for national results: Economic accounts (Labour Force Survey for EE, EL, CY, LV, MT, AT, RO)

for results by "Types of area": Labour Force Survey.

MAP 2

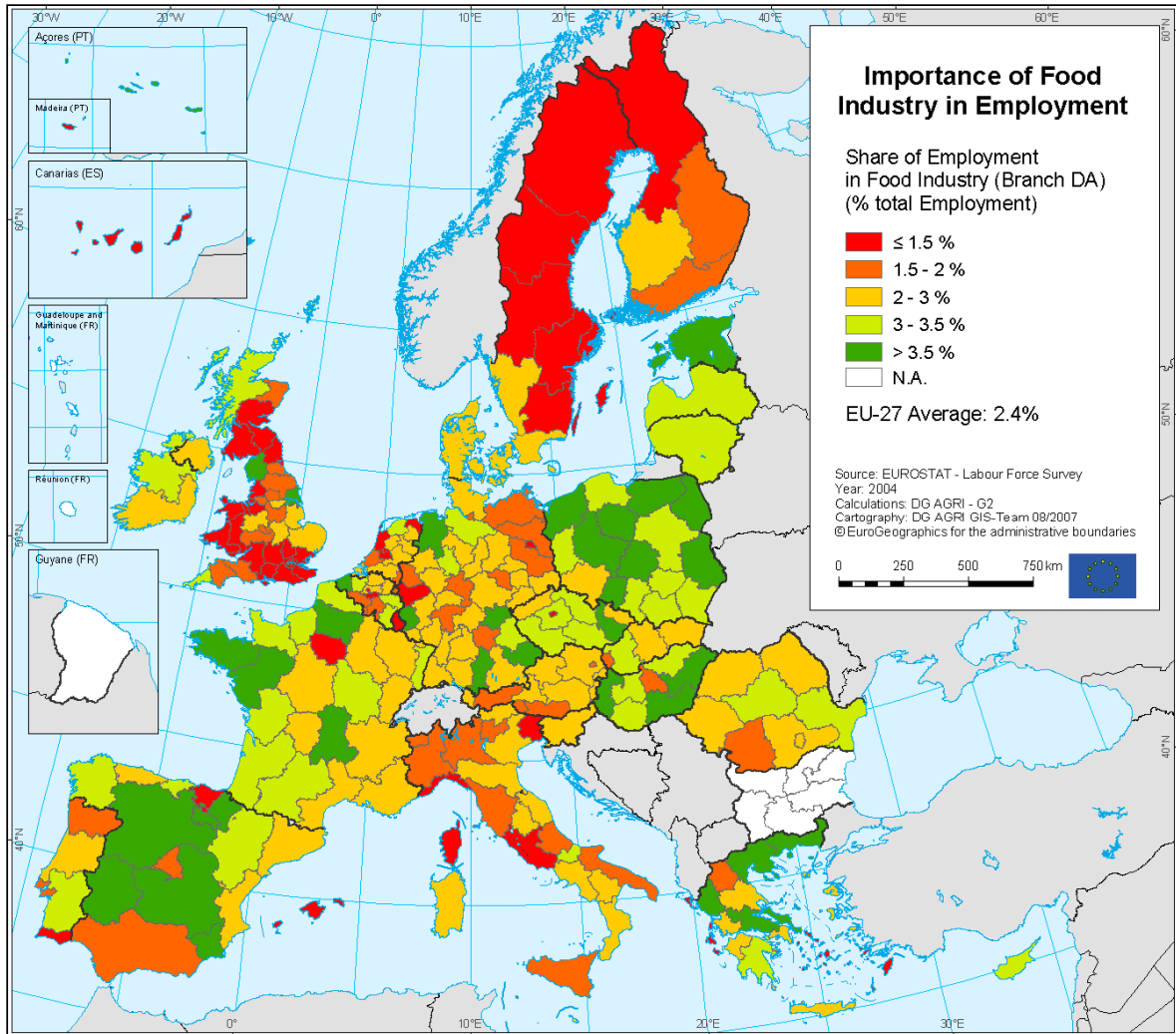


Table A2.3: Share of employment in agri-food sector in 2004*

Member States	Type of Areas				National
	1. Rural	1.1. Predominantly Rural	1.2. Intermediate Regions	2. Predominantly Urban	
BE	5.2	8.2	4.7	4.5	4.3
BG	n.a.	n.a.	n.a.	n.a.	27.7
CZ	7.8		7.8	1.4	6.9
DK	5.6		5.6		5.6
DE	6.2	9.0	6.0	3.7	4.7
EE				8.8	8.8
IE	9.0	12.1	8.0		9.0
EL	22.3	23.5	20.3	3.1	16.3
ES	11.7	19.1	10.3	5.5	7.5
FR	7.6	9.1	7.5	2.5	5.8
IT	7.7	9.1	7.5	4.4	6.0
CY	8.5		8.5		8.5
LV				15.0	15.0
LT	19.1		19.1		19.1
LU	2.7		2.7		2.7
HU	11.2	14.0	8.3	3.4	8.7
MT				5.3	5.3
NL	7.1		7.1	4.4	5.0
AT	19.3	20.3	16.9	5.6	15.6
PL	22.1	26.7	19.1	14.3	21.6
PT	18.0	16.9	18.1	3.3	14.0
RO	37.9		37.9	4.2	40.7
SI	12.7	12.7			12.7
SK	7.4		7.4	3.8	7.0
FI	6.8	9.6	4.2		6.8
SE	4.4	4.1	5.1	1.3	3.6
UK	4.5	6.4	4.4	2.1	2.7
EU-27	12.4	16.1	11.7	4.2	9.0

Source: Eurostat

For primary (agriculture, hunting and forestry): Economic Accounts (Labour Force Survey for results by types of areas for RO and UK).

For food industry (food products, beverage and tobacco):

for national results: Economic accounts (Labour Force Survey for EE, EL, CY, LV, MT, AT, RO)

for results by "Types of area": Labour Force Survey.

*: for results by "Types of area": including fishing for DE, Ceuta (ES), French DOM, MT, RO and UK

for national results for RO: including fishing – year 2003

MAP 3

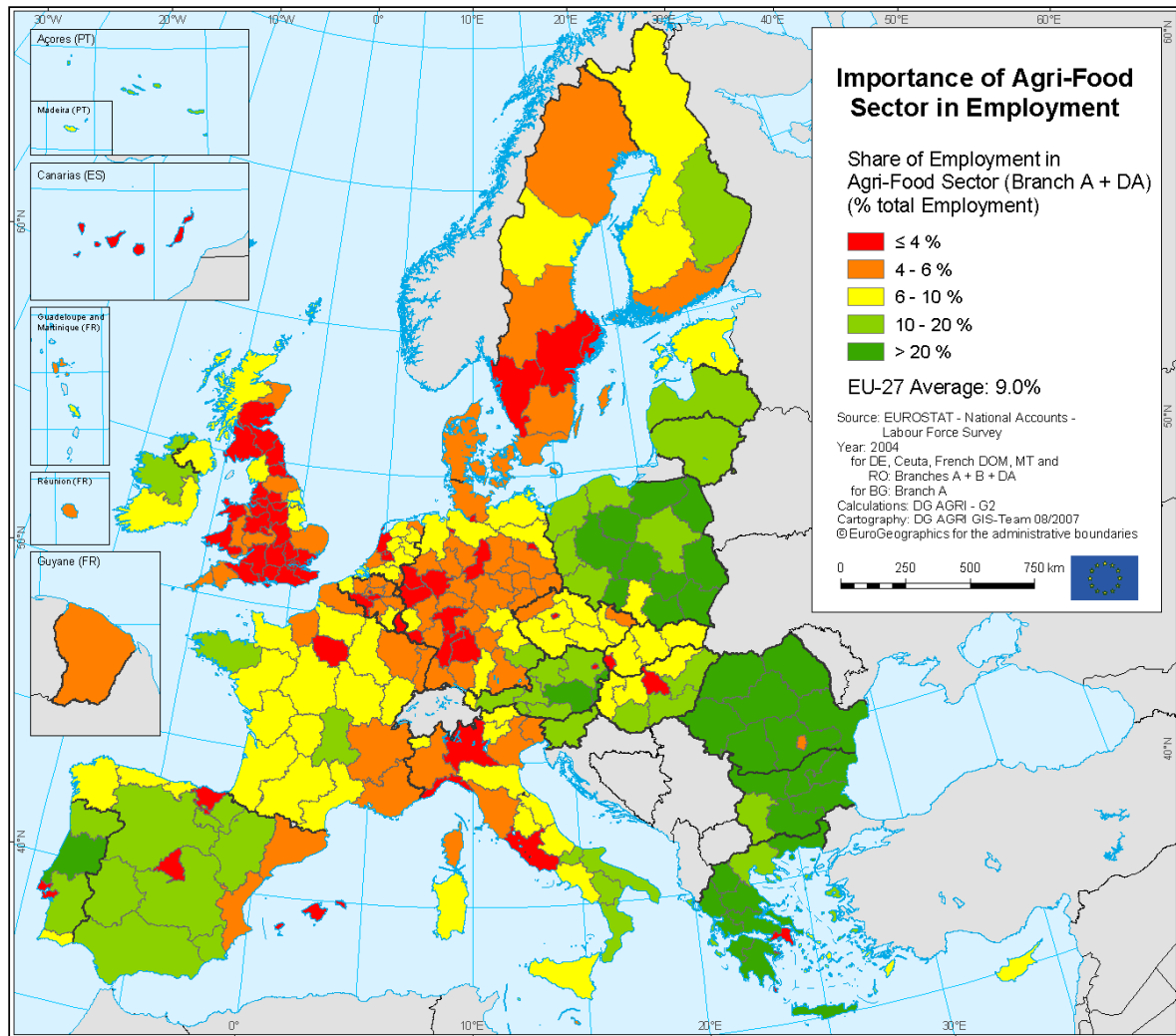


Table A2.4 Share of GDP in primary sector (agriculture, hunting and forestry) in 2004*

Member States	Type of Areas				National
	1. Rural	1.1. Predominantly Rural	1.2. Intermediate Regions	2. Predominantly Urban	
BE	1.6	3.1	1.3	1.1	1.1
BG	15.3	18.7	14.6	4.1	11.0 _{reg}
CZ			4.2	0.1	3.3
DK			1.8		1.8
DE	1.8	2.2	1.8	0.7	1.2
EE				3.6	3.6
IE	2.3	4.1	1.8		2.3
EL	n.a.	n.a.	n.a.	n.a.	5.2
ES	6.6	12.1	5.6	2.0	3.6
FR	3.4	4.4	3.3	0.4	2.3
IT	3.1	3.9	3.1	1.7	2.4
CY			2.7		2.7
LV				4.3	4.3
LT			5.8		5.8
LU			0.5		0.5
HU	6.3	8.1	4.7	0.8	4.8
MT				2.3	2.3
NL			4.5	2.0	2.1
AT	2.7	3.0	2.0	0.4	1.9
PL	5.5	7.5	4.6	3.0	5.1
PT	4.7	13.7	3.6	0.3	2.9
RO			17.2	1.1	14.1
SI	2.7	2.7			2.7
SK			5.7	0.9	4.5
FI	3.0	5.1	1.4		3.0
SE	2.4	2.6	1.6	0.1	1.7
UK	2.1	3.8	2.1	0.4	0.9
EU-27*	3.3	4.5	3.1	1.0	2.1

Source: Eurostat – Economic Accounts

*: for results by "Types of area": including fishing for DE

EU-27 excluding Greece (no regional data available)

MAP 4

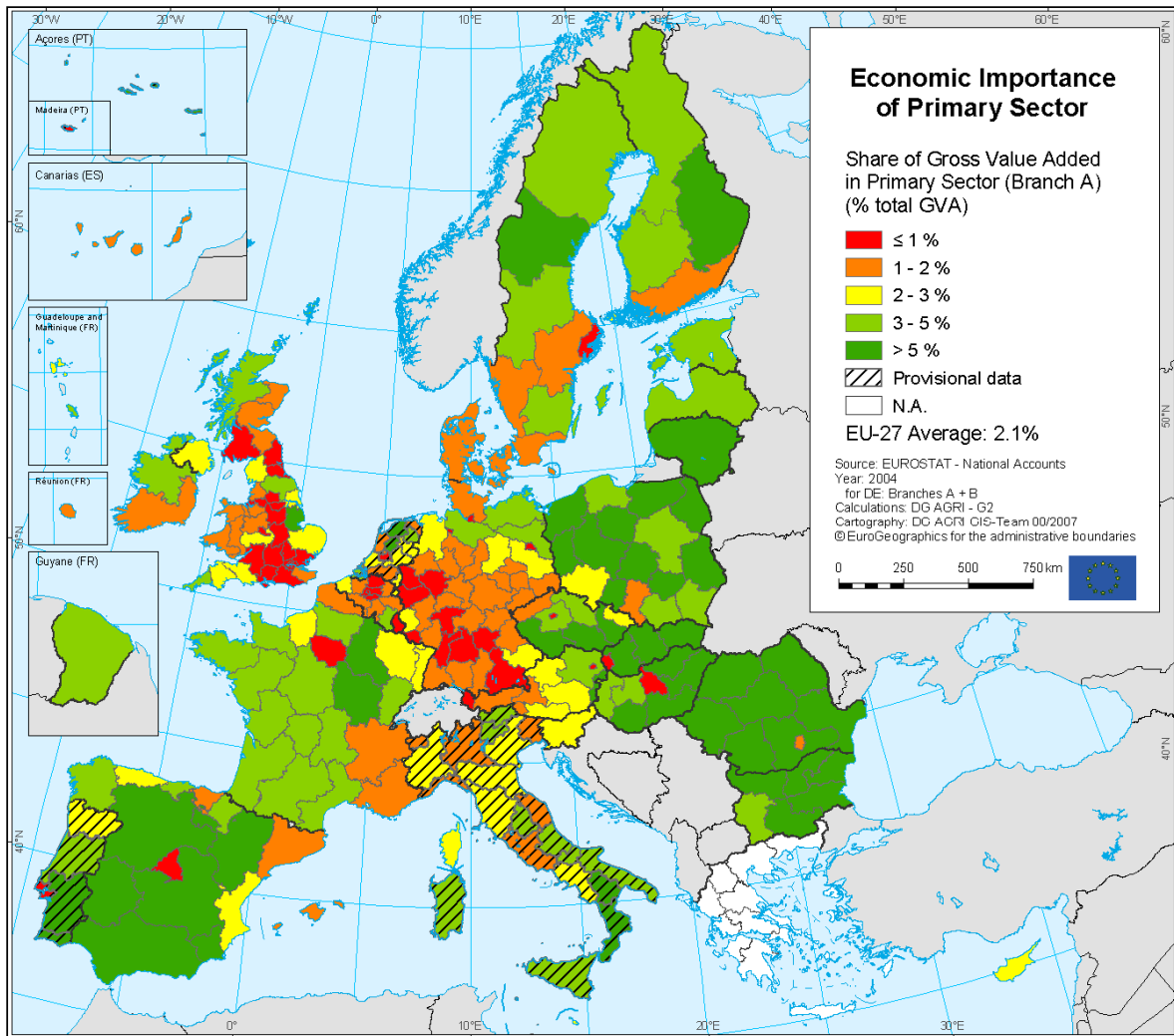


Table A2.5 Share of GDP in the agri-food sector in 2004

Member States	Primary sector (agriculture, hunting, forestry)	Food Industry (food products, beverage and tobacco)	Total agri-food sector
	%		
BE	1.1	2.4	3.5
BG	11.0	n.a.	n.a.
CZ	3.3	3.3	6.5
DK	1.8	2.6	4.4
DE	1.2	2.0	3.2
EE	3.6	n.a.	n.a.
IE	2.3	3.1	5.4
GR	5.2	10.9	16.1
ES	3.6	3.9	7.5
FR	2.3	0.4	2.7
IT	2.4	1.9	4.3
CY	2.7	n.a.	n.a.
LV	4.3	2.8	7.1
LT	5.8	3.8	9.6
LU	0.5	0.9	1.5
HU	4.8	2.8	7.6
MT	2.3	2.8	5.0
NL	2.1	2.7	4.8
AT	1.9	1.9	3.7
PL	5.1	2.9	8.0
PT	2.9	2.4	5.3
RO	14.1	6.8	20.9
SI	2.7	2.3	5.0
SK	4.5	1.8	6.3
FI	3.0	1.7	4.7
SE	1.7	1.6	3.4
UK	0.9	2.0	2.9
EU27	2.1	2.2	4.3

Source: Eurostat – Economic Accounts