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Developments in the Rural Economy **of Greece**

December 2015

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Foreword

Within the organization of the 2nd Pan-Hellenic Conference of GAIA EPICHEIREIN S.A. on the development of Greek agriculture, it is considered expedient to present the most important developments in the country's rural economy in order to record the current position of Greek agriculture in view of the efforts and initiatives being developed to reboot it.

From reviewing developments in the key figures of the rural economy set out in this publication, it emerges that intense efforts and targeted choices will be required in order to address major problems facing the primary sector of the economy, which are mainly related to the continuous drop in gross value added, investments and agricultural income.

These problems and weaknesses place Greek agriculture on a path deviating from the European average during a crucial period when proposals and measures for escaping the crisis are being sought.

In this sense, this report provides information that can stimulate discussion on identifying the weaknesses of Greek agriculture, the addressing of which could contribute decisively towards its development.

Ioannis Koufoudakis
CEO of GAIA EPICHEIREIN S.A.

Introduction

The following report comprises a review of the most important developments in the country's rural economy, consisting of certain key data and figures drawn from a publication by the European Commission[1] and from other sources, determining the importance of Greek agriculture and its developments in recent years.

The data included in this publication provide the opportunity of a summary update on issues that concern the economic accounts of agriculture and CAP expenditures, developments in agricultural income, an analysis of the value and cost of agricultural production per category, the growth of input and output prices, the financing of agricultural enterprises, the sale of agricultural products, as well as the structure of agricultural holdings and the workforce employed.

Also presented are certain projections deriving from the comparison between the data of the economic accounts of agriculture in Greece and in the EU-27 during the 2005-2014 decade, on the basis of the tables in the Annex.

[1] Agricultural Policy Perspectives, Member States factsheets - January 2015.

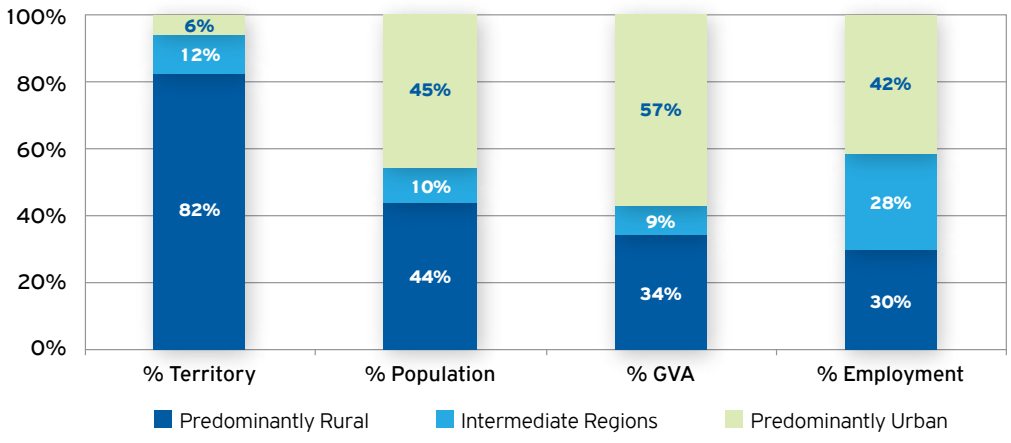
The importance of the primary sector

The primary sector continues to play a vital role for the national economy, judging from the territory of predominantly rural regions and their population size, as compared to intermediate and urban regions, with percentages of 82% and 44%, respectively.

Importance of rural areas

Year 2013 (*Year 2011)	Territory (km2)	Population (1 000 inhabitants)	GVA (Million EUR)*	Employment (1 000 persons)
Predominantly rural regions	108 216.0	4 875.0	62 998.0	1 067.4
Intermediate regions	15 914.0	1 154.6	15 972.6	1 011.1
Predominantly urban regions	7 491.0	5 032.9	104 166.5	1 481.6
Total	**131 621.0**	**11 062.5**	**183 137.1**	**3 560.2**

Source: European Commission, Directorate General for Agricultural and Rural Development, CAP context indicator update 2014.



It is also assessed from the size of the workforce employed on agricultural holdings and the participation in employment, with a percentage of 13.5% in 2014. It is noted that the drop in employment in the primary sector stood at a relatively small percentage (-2.2%) in 2014, as compared to the significantly larger drop in the sectors of construction (-10.3%), processing (-5.7%) and commerce (-2.8%), representing in 2014 the largest number of persons employed (479.8 thousand) second only to commerce (17.7%), with employment percentages being significantly lower for processing (8.9%), tourism (8.4%) and constructions (4.3%).

The agricultural sector is also a key supplier of a number of products and services that are particularly important for the food and beverage industry, which serves as the driving force for processing, covering the largest ratio of number of enterprises (21.2% in 2012), persons employed (25.2%) and gross value added (25.2%) among all sectors of the branch[2]. The contribution of agricultural products to the country's external balance of trade is quite important, exhibiting stability and dynamism even during the period of economic recession. According to certain estimates[3], during the 2008-2014 period, the value of food exports rose by 22.6%, with an average annual rate of approximately 3.5%. It is noted that in 2014, the percentage of agricultural products (including foodstuffs, beverages, tobacco, olive products and cotton) accounts for 18.7% of the total value of the country's exports, despite its relatively small drop in relation to 2013 (-3.8%), representing a value close to 5 billion euros.

The key figures of the country's agricultural sectors, as compared to those of the EU-27, are presented in the table below, where the agricultural land used is estimated (in 2012) at 41.5 million stremma (4.15 million hectares), comprising 717,000 agricultural holdings of small average size (58 stremma or 5.8 hectares), which falls significantly short of the average size of agricultural holdings in the EU-27 (150 stremma or 15 hectares). Overall, the primary sector employed 490,000 persons during that year, representing 13% of the financially active population of the country, a percentage much higher than the average in the EU-27 (4.9%).

Key figures of the agricultural sector

Figures	EU-27	Greece
Territory of predominantly rural regions (% of the total EU-28, in 2013)	52.0	82.0
Population of predominantly rural regions (% of the total EU-28, in 2013)	22.6	44.0
Agricultural land used (in 1000 hectares, in 2012)	176 316.0	4 151.0
Number of agricultural holdings (in 1000, in 2012)	11 756.0	717.0
Territory per holding (in hectares, in 2012)	15.0	5.8
Total workforce on holdings (in 1000, in 2010)	24 881.0	1 133.0
Number of persons employed in the primary sector (in 1000, in 2012)	10 476.0	490.0
Percentage of employment of the primary sector out of the total (%, in 2012)	4.9	13.0
Value of products of the agricultural sector, at basic prices (billions of €, in 2012)	405.6	10.8
Gross Value Added, at basic prices (billions of €, in 2012)	160.9	5.5
Gross Value Added of the primary sector (% out of the total, 2012)	2.5	5.2
Percentage of agriculture in the GDP (%, in 2012)	1.2	2.8
Share of household expenditures on foodstuffs (% out of the total, 2011)	16.5	20.6
Share of imports of agricultural products out of the total (%, in 2013)	5.7	12.9
Share of exports of agricultural products out of the total (%, in 2013)	6.9	17.8
Balance of trade of agricultural products (billions of €, in 2013)	18 210.0	-1 636.2

[2] Foundation for Economic & Industrial Research (IOBE), Food & Beverage Industry, March 2015.
[3] Export Research Centre (KEEM), Issue 75, March 2015.

Source: European Commission, Agriculture in the EU, Statistical and Economic Information, Report 2013, December 2013.

Gross value added, at basic prices, stands at the low level of 5.5 billion euros, which corresponds to approximately 5.2% out of the total of the economy. However, this ratio is more than double the average in the EU-27 (2.5%).

In relation to the balance of trade, the value of imported agricultural products - including food and beverages - stands at a high level, covering 12.9% out of the total, as compared to the significantly smaller percentage in the EU-27 (5.7%), resulting in a negative balance in the trade of the country's agricultural products, a deficit close to approximately 1.6 billion euros in 2013.

CAP aid

According to the data in the table below, funds from CAP aid amounted to 3.017 billion euros in 2013, the majority of which coming from direct aid (75.6%), concerning mainly decoupled aid (approximately 88% of direct payments).

The contribution of aid concerning rural development was also significant (22.2%), in contrast to the limited levels of aid for market measures (2.1%), which were expended for the food distribution programme (26.8%) and for supporting certain sectors such as fruit and vegetables (approximately 21% of market measures), the olive sector (13.2%), the wine sector (11.4%), etc.

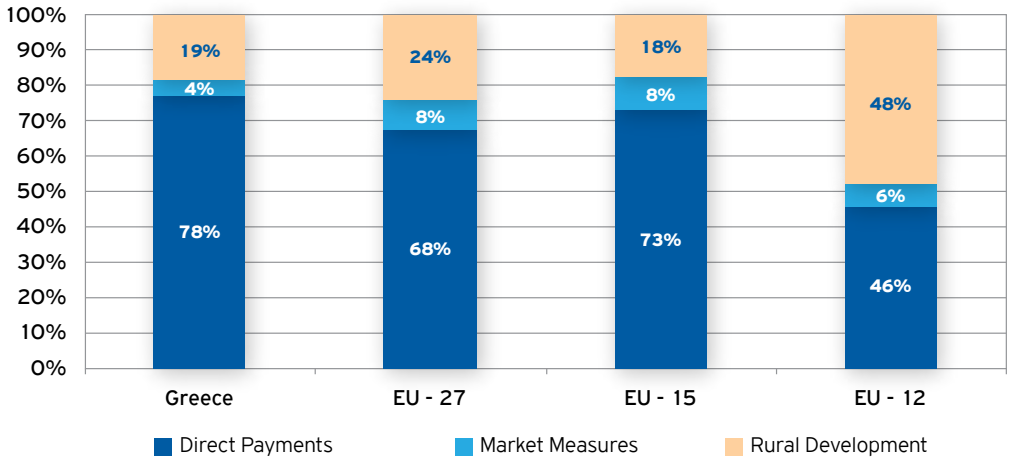
CAP aid

Measures	2013 1 000 EUR	Total 2008-2013 %	
Decoupled direct aids	2 008 689.1	66.2%	85.2%
Other direct aids	273 576.4	10.7%	13.7%
Additional amounts of aid	-0.2	0.8%	1.0%
Direct Payments	**2 282 265.3**	**77.7%**	**100.0%**
Cereals	0.0	-0.1%	-2.2%
Rice	0.0	0.0%	1.1%
Refunds on non-Annex I products	0.0	0.0%	0.2%
Food programmes	16 919.5	0.6%	9.5%
Sugar	0.0	0.0%	3.6%
Olive oil	8 324.8	0.3%	7.8%
Textile plants	3 968.6	0.1%	1.0%
Fruit and vegetables	13 212.0	1.1%	37.6%
Wine sector	7 198.8	0.4%	11.1%
Promotion	5 530.5	0.2%	3.7%
Other plant products/measures	5 190.2	0.2%	5.0%
Milk and milk products	0.0	0.0%	0.2%
Beef and veal	0.0	0.0%	0.0%
Sheepmeat and goatmeat	0.0	0.0%	0.0%
Pigmeat, eggs, poultry and other	2 734.0	0.1%	2.6%
Sugar Restructuring Fund	-	0.8%	18.8%
Market measures	**63 078.5**	**3.6%**	**100.0%**
Rural Development	**671 748.0**	**18.7%**	**100.0%**
Total	**3 017 091.8**	**100.0%**	**-**

Source: European Commission, Directorate General for Agricultural and Rural Development (2008-2013 EAGF Financial Reports) and Commission Decision 2010/236/EU, October 2014.

In aggregate, during the 2008-2013 period, direct payments represent, on average, 78% of the total amount of CAP aid, a percentage significantly higher than that of both the EU-27 (68%) and the EU-12, where the percentage of direct aid (48%) is almost equal to that of rural development (46%).

Distribution of CAP expenditure (2008-2013)



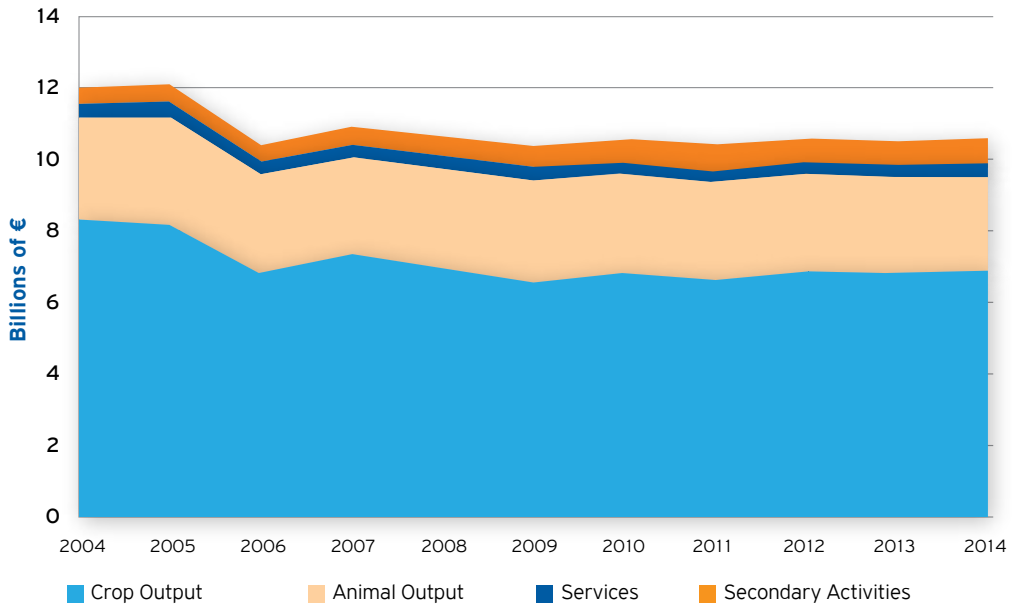
It is also interesting to examine the distribution of direct aid (payment) to beneficiaries, graded according to amounts, according to which the majority of the country's producers are farmers collecting amounts far lower than 5,000 euros. This category comprises (in 2013) 81% of farmers who collected 35% of the total value. On the other hand, a very small percentage of farmers (6.7%) collect aid higher than 10,000 euros, absorbing 38% of the total direct payments.

Gross value of output

According to data in the economic accounts on Greek agriculture prepared by Eurostat (Table 1 of the Annex), the gross value of the output of the 'Agricultural Sector' is estimated at 10.6 billion euros in 2014, including the value of crop output (€6.9 billion), animal output (€2.6 billion), the value of services (€349 million) and secondary activities (€698 million).

This figure, representing the outputs of Greek agriculture, remains significantly smaller than the one at the beginning of the 2005-2014 decade (12 billion euros in 2005), with a drop of approximately 12.4%. More specifically, the value of crop output dropped by 15.6% during this period, while the value of animal output dropped by 13.3%. The services used by farmers for production recorded an even greater drop (-19%). On the contrary, there was a significant increase in the change of the value of secondary activities, such as agro-tourism (57.9%). For comparative reasons alone, it is underlined that during the same period, the gross value of crop and animal output in the EU-27 rose significantly (23.3% and 25.5%, respectively).

Participation in the Gross Value of Agricultural Output
(At basic prices)



During the 2012-2014 period, the value of agricultural output (at current producer prices) fluctuated, with a small drop of approximately 1% in 2014, as compared to a significant drop in both 2013 (-2.7%) and 2012 (-3.8%). At the level of crop production, the drop in 2014 (-1.7%) is linked to the drop in the value of most products, being particularly intense in maize (-23.6%) and noticeable in horticultural products (-2.9%), despite its significant increase in certain products such as olive oil (31.4%) and fruit (5%). The value of animal output does not exhibit a significant change in 2014, following a significant drop in 2013 (-3.5%) and particularly in 2012 (-6.43%). However, it did drop significantly during the 2010-2014 period (-9%), particularly in sheepmeat and goatmeat (-16.8%). During the same period, there was however a noticeable increase in poultry (6.7%). Nevertheless, the relationship between crop and animal production seems to have remained the same, with the 2014 ratio (71/29) remaining essentially the same as the 2013 ratio.

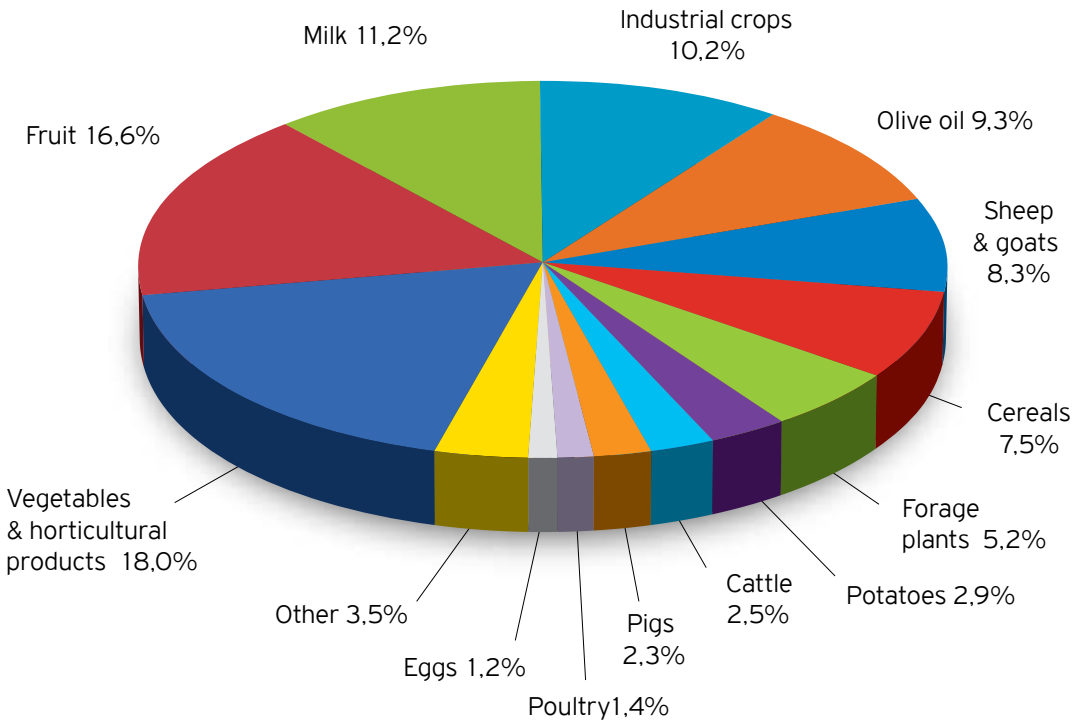
Among produced goods, fruits and vegetables are leading in the distribution of average value during the five-year period of 2009-2013 (at constant producer prices), with their respective percentages being 16.6% and 18%, followed by milk (11.2%), industrial crops (10.2%), olive oil (9.3%), sheep and goat meat (8.3%), cereals (7.5%), etc.

Evolution of agricultural production value 2012-2014

Categories/Products:	2012	2013	2014ε		
	Million EUR		Million EUR	% of total	% of EU-28
Cereals:	**1 021,8**	**967,5**	**814,0**	**8,9**	**1,7**
Wheat and spelt	391,6	378,0	340,2	3,7	1,4
Rye and meslin	4,6	3,9	3,2	0,0	0,2
Barley	73,4	74,4	68,8	0,7	0,8
Oats and summer cereal mixtures	21,9	21,7	20,1	0,2	1,4
Grain maize	471,1	423,1	323,4	3,5	3,0
Rice	59,2	66,5	58,4	0,6	7,6
Other cereals	-	-	-	-	0,0
Industrial Crops:	**582,8**	**710,5**	**619,2**	**6,8**	**3,6**
Oil seeds and oleaginous fruits	61,9	73,6	64,9	0,7	0,6
Protein crops	10,3	10,9	10,5	0,1	1,2
Raw tobacco	92,0	107,9	95,1	1,0	18,8
Sugar beet	24,4	19,8	25,8	0,3	0,7
Other industrial crops	394,3	498,3	422,9	4,6	28,9
Forage plants	**468,0**	**470,7**	**486,7**	**5,3**	**1,8**
Vegetables and horticultural products	**1 812,0**	**1 805,1**	**1 751,3**	**19,1**	**3,6**
Potatoes	272,0	370,8	267,4	2,9	2,7
Fruits	1 774,7	1 664,0	1 749,3	19,1	7,9
Wines	24,3	22,9	19,8	0,2	0,1
Olive oil	848,5	614,6	807,6	8,8	17,2
Other crop products	29,9	24,5	24,6	0,3	0,8
Crop output	**6 834,0**	**6 650,5**	**6 539,7**	**71,3**	**3,3**
Animals:	**1 430,7**	**1 340,8**	**1 320,1**	**14,4**	**1,4**
Cattle	234,1	233,4	228,0	2,5	0,7
Pigs	268,9	266,2	252,8	2,9	0,7
Equines	2,4	2,6	3,1	0,0	0,3
Sheep and goats	724,9	661,8	654,8	7,1	12,7
Poultry	176,0	159,1	162,3	1,8	0,7
Other animals	24,4	17,6	19,1	0,2	0,3
Animal products:	**1 227,9**	**1 273,4**	**1 310,4**	**14,3**	**1,8**
Milk	1 052,6	1 061,4	1 106,0	12,1	1,8
Eggs	90,9	77,0	70,3	0,8	0,8
Other animal products	134,4	135,0	134,0	1,5	5,1
Animal Output	**2 708,7**	**2 614,2**	**2 630,4**	**28,7**	**1,6**
Agricultural Goods Output	**9.520,6**	**9 264,7**	**9 170,1**	**100,0**	**2,5**

Source: Eurostat, Economic Accounts for Agriculture (values at current producer prices), December 2014 (e=Estimate).

Percentage breakdown of agricultural goods value
(2009-2013 average)



Source: Eurostat, Economic Accounts for Agriculture (values at constant producer prices), December 2014.

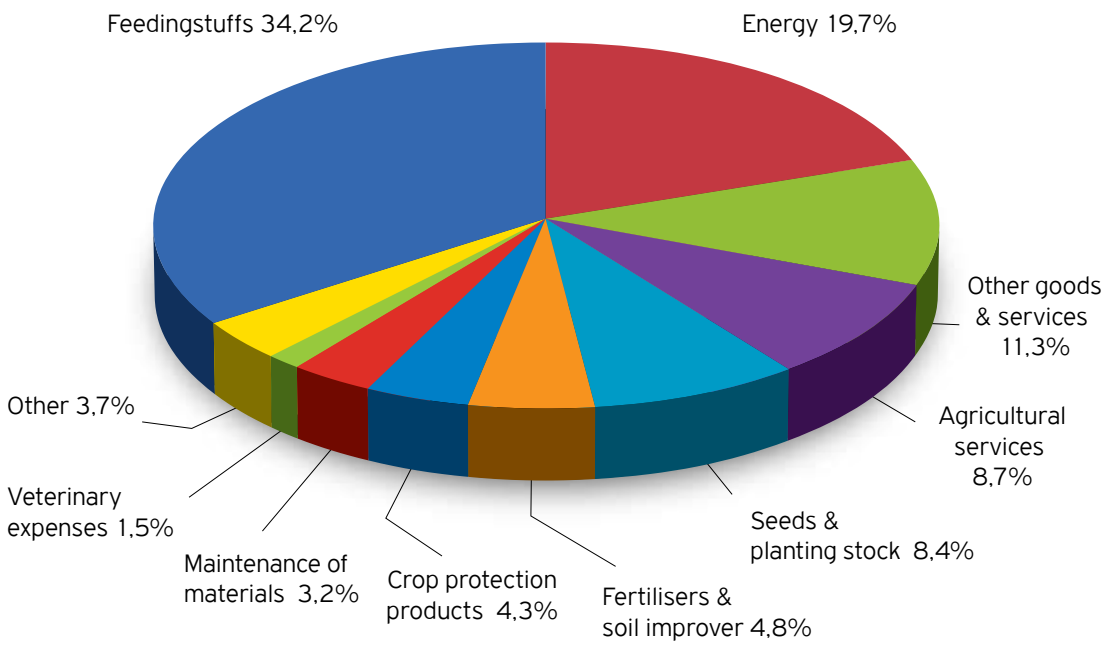
Intermediate Consumption

Intermediate consumption, which makes up most of the input costs in agricultural productions, is estimated to be 5.4 billion euros and is mainly consisting of feedingstuffs costs, amounting to 1.9 billion euros and covering the highest proportion (approximately 35%), energy and lubricants costs (1.3 billion euros and 24%), costs of services used is agricultural production (6.4%), costs of seeds and propagating material (5.9%), fertilizers and soil conditioners (5.3%), plant protection products (4%) and other individual input.

These total costs increased significantly, compared to those at the beginning of the 2005-2014 decade (4.5 billion euros in 2005), showing an increase of about 20.4%. It should be noted that this change of costs has shown an increased growth rate during the recession. It is significant that during the 2009-2013 period the rise of input costs in the agricultural production (intermediate consumption) has neared, in absolute amount, the level of 698 million euros, showing an increase of 14.7% or more.

Among the individual input categories, the change in feedingstuffs costs is adverse, as it rose by about 18.2% during the five-year period 2009-2013, amounting to 1.9 billion euros. This difference corresponds to a surcharge of about 300 million euros. This cost, after a significant increase in 2013 (13.9%), appears to be restrained during 2014 (-1.6%). However, the change in energy costs has been greater, as it has increased by 50% in the years 2009-2013, exceeding the 2014 level of 1.2 billion euros, despite its decline during 2013 (-5.3%) and 2014 (-4.5%). As shown in the corresponding diagram, on average (2009-2013) these two input components jointly account for 54% of the total intermediate consumption in agricultural production.

Percentage breakdown of agricultural production input
(2009-2013 average)



Source: Eurostat, Economic Accounts for Agriculture (values at constant producer prices), December 2014.

Gross value added

Gross value added, which measures the supply of agricultural activities, is estimated to be at around 5.17 billion euros for 2014, showing an increase of approximately 2%, compared to the significant drop of the previous year (-3,9%). This positive change, as attested by the following table, results from the increase of crop value and secondary activities.

Evolution of gross added value in agriculture

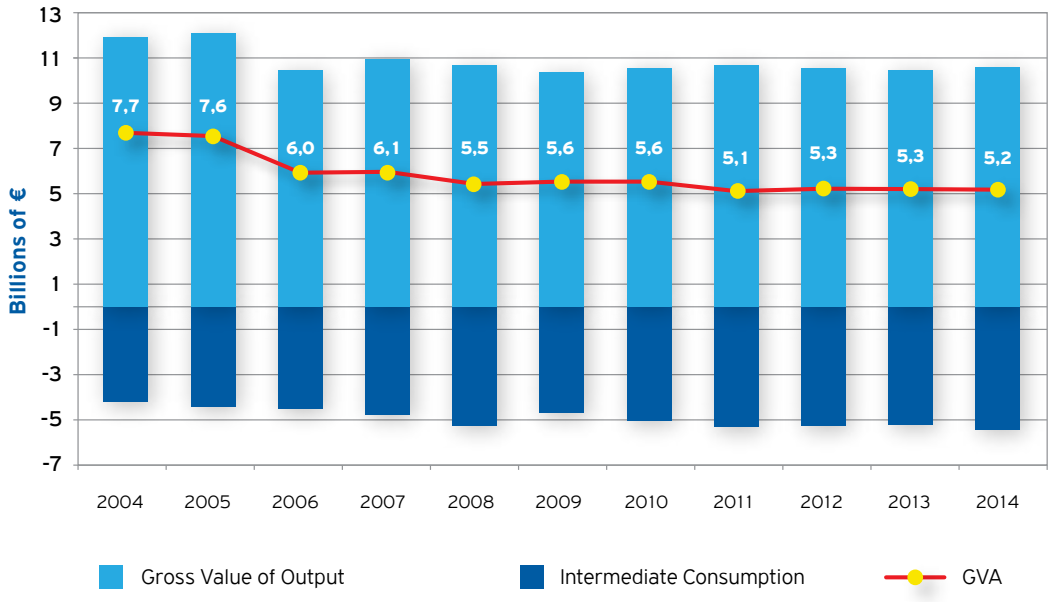
Values at current, basic prices	2012	2013	2014e	2013/2012	2014e/2013
	Million EUR			% change	
Output of the agricultural "industry":	**10 577**	**10 514**	**10 583**	**-0,6**	**0,7**
Crop output	6 856	6 876	6 951	0,3	1,0
Animal output	2 711	2 622	2 585	-3,3	-0,2
Agricultural services	355	354	349	-0,3	-1,4
Secondary activities	655	662	698	1,0	5,4
(-) Intermediate consumption	**5 305**	**5 242**	**5 410**	**-1,6**	**-2,8**
(=) Gross value added at basic prices	**5 282**	**5 073**	**5 173**	**-3,9**	**2,0**

Source: Eurostat, Economic Accounts for Agriculture (values at current basic prices), Update: November 2015. e=Estimate

Nonetheless, the continuous decline of gross value added in Greek agriculture over the 2005-2014 decade should be stressed. During this period, gross value added in agriculture has decreased by about 32%, from 7.6 billion euros in 2005 to 5.2 billion euros in 2014, as shown in the diagram below. However, at the same time, mean gross value added in agriculture for the EU-27 has increased by about 9% (Table 2 of the Annex), this being a development which confirms the deviant trajectory of Greek agriculture from the European average.

Evolution of gross value added in agriculture

(Values at basic prices)



Agricultural Income

Over the 2012-2014 three-year period, the formation of gross fixed capital, which represents the size of investments in Greek agriculture, is declining, being especially acute in 2013 and 2014 (-6.3%). In 2014, the value of fixed capital is estimated at 1.3 billion euros, a size which reflects 25% of gross value added. This percentage, which expresses the index of investments in agriculture, has had a downward pace during the recession (from 27% in 2009 to 25% in 2014), while remaining still very low, compared to the EU-27 average (36.9% in 2014) but also to that of other countries hit by recession, such as Portugal, where the relevant figure exceeds 28%.

Evolution of agricultural income

Values at current, basic prices	2012	2013	2014e	2013/2012	2014e/2013
	Million EUR			% change	
Gross value added at basic prices	**5 282**	**5 073**	**5 173**	**-3,9**	**2,0**
(-) Consumption of fixed capital	1 483	1 390	1 302	-6,3	-6,3
(-) Production taxes	292	490	485	67,8	-1,0
(+) Subsidies	2 644	2 495	2 506	3,5	0,4
(=) Factor Income	**6 151**	**5 688**	**5 892**	**-5,6**	**3,6**

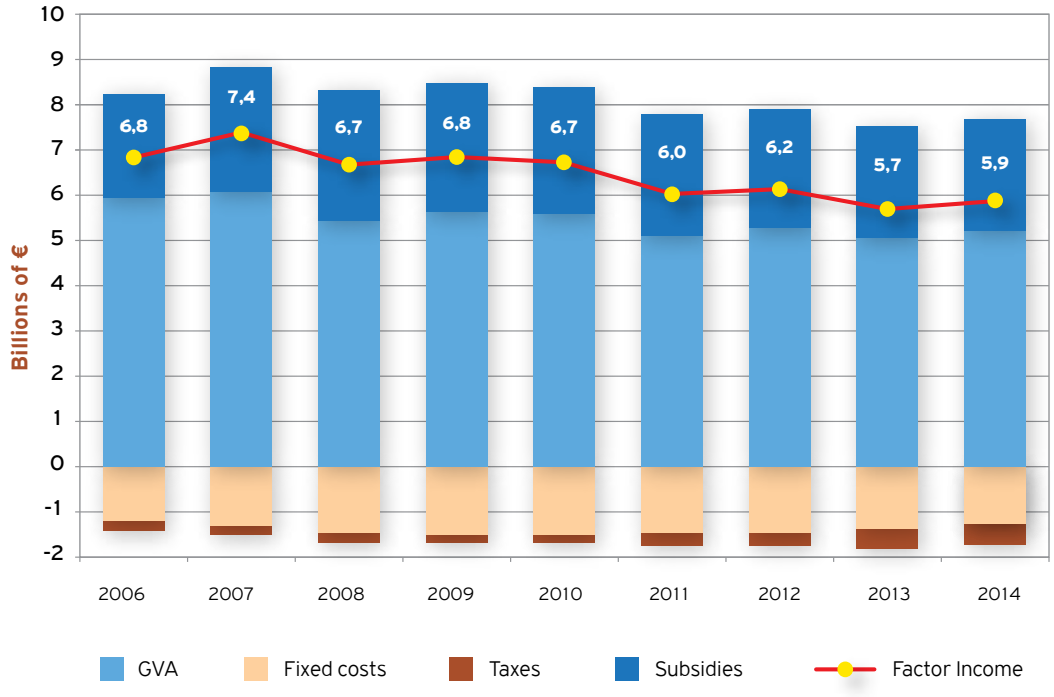
Source: Eurostat, Economic Accounts for Agriculture (values at current basic prices). Update: November 2015. e=Estimate

The amount of taxes on agricultural production is estimated to be 485 million euros for 2014, declining by about 1%, after an exceptionally strong growth in 2013 (67.8%). It is noted that over the 2005-2014 decade taxes in agricultural production rose by about 84%, while the rate of tax increases has been greater during the recession. Over this five-year period (2009-2013), taxes on production rose from 141 million euros to 490 million euros, showing an increase of 247% or more, whereas taxation on agricultural production for the EU-27 has, on average, been declining over the 2005-2014 decade (-2.2%).

Compared to other EU member states, the ratio of taxes on the country's agricultural production for the three-year period of 2012-2014 is about 8% of the gross value added for agriculture, a figure several times higher than that of neighbouring countries such as Bulgaria and Romania and more than double than that of the EU-27 (3%).

Past developments and, mainly, the significant increase in production costs and taxes have resulted in agricultural income (production factor income) in 2013 being limited, in basic prices, to 5.7 billion euros including subsidies (2.5 billion euros) and showing an increase in 2014 (3.6%), following a substantial decline in 2013 (-7,5%). Cumulatively, during the 2009-2013 five-year period, agricultural income fell by 17 percentage points, a decline which, in absolute volume, corresponds to a loss of about 1.14 billion euros.

Evolution of agricultural income
(Factor Income, values at current, basic prices)



Despite considerable variation among member states, agricultural income (as an average of production factor income) has decreased in the EU-27 by 2.8% in 2014, after a slight increase in 2013 (0.7%). However, we should note the significant increase of agricultural income in the EU-27 over the 2005-2014 decade, amounting to about 20%, in contrast to the substantial decline in Greece (-17%).

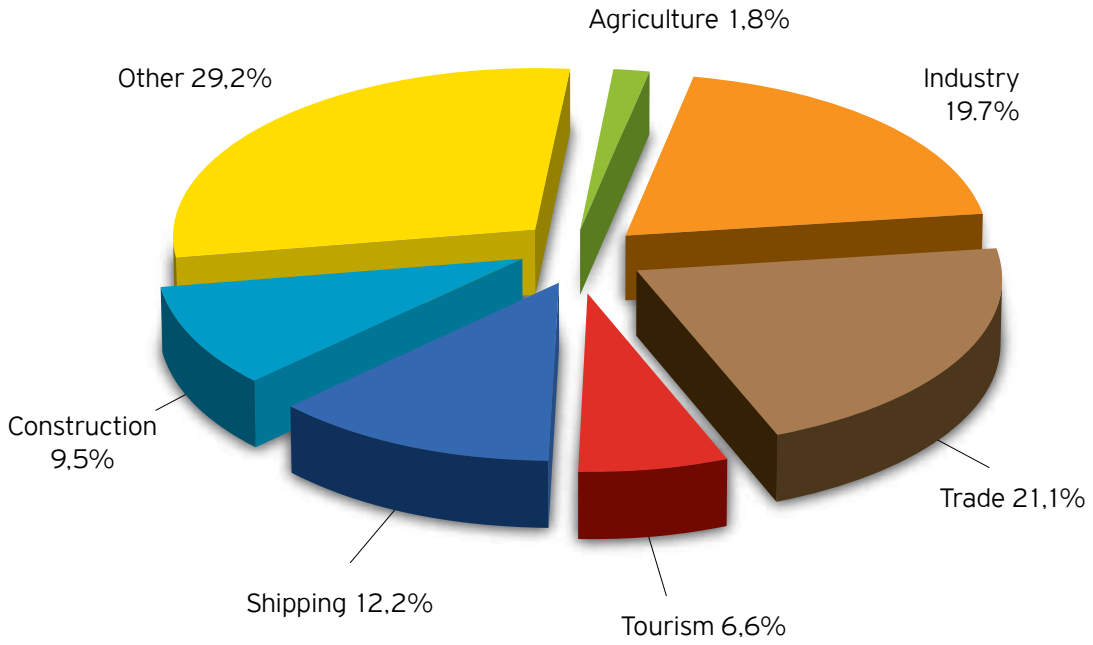
Financing of agricultural enterprises

As is evident from figures published by the Bank of Greece[4] resulting from the analysis of bank financing to enterprises for each sector of economic activity, agricultural enterprises absorb 1.5% of all loans for 2014. Actually, in December 2014 the balance of loans intended for agricultural enterprises amounts to just 1.520 billion euros, compared to 20.89 billion euros for industries (20.6%), 19.428 billion euros for commerce (19.2%), 13.511 billion euros for the shipping industry (13.3%), 10.588 billion euros for constructions (10.4%) and 7.733 billion euros for tourism (7.6%).

During the 2009-2014 period, average financing for Greek agricultural enterprises remains, especially low (1,8%) compared to other sectors of the economy, as shown in the diagram below.

[4] Bulletin of Economic Research, Issue 163, July-August 2015.

Allocation of enterprises financing per activity sector
(Average percentage proportion 2009-2014



It is stressed that since 2009, from the beginning of the recession up until recently, the rate of deceleration in financing for agricultural enterprises, according to the change in the balance of loans on an annual basis (December 2009 – December 2014), records a drop of approximately 62%. It is noted that in other sectors of the economy the flow of bank financing for the same period of time was clearly favorable, with an increase for shipping (34.7%) and tourism (5%), while the recorded decline for industries (-8.3%), constructions (-7.5%) and commerce has been clearly less than the one for agricultural enterprises.

Agricultural trade

The majority of exported agricultural products in 2013 (4.9 billion euros) are final products (66%), which are exported primarily to EU-27 countries (about 68%). Approximately 80% of imports (6 billion euros) come from EU-27 and consist mainly of final products. These products, of course, account for most of the agricultural products trade deficit (-1.154 euros), as shown on the following table.

Greek agricultural trade for 2013

Category	Total trade	Trade with EU countries		Trade with non-EU countries	
	Million €	Million €	% change 2013/2012	% of total	% change 2013/2012
Exports					
Commodities	711,6	262,3	-19,1%	449,4	-20,0%
Intermediates	929,8	716,2	27,3%	213,6	5,7%
Final products	3 215,1	2 200,4	8,7 %	1 014,7	0,0%
Other products	41,2	36,9	-6,4%	4,3	-9,6%
Total agricultural products	**4 897,7**	**3 215,7**	**9,0%**	**1 682,0**	**-5,7%**
as % of total exports	**17,8%**	**25,1%**	**-**	**11,4%**	**-**
Imports					
Commodities	634,6	380,4	9,3%	254,2	-4,0%
Intermediates	1 300,8	808,4	-4,0%	492,4	15,9%
Final products	4 062,3	3 612,6	2,0%	449,7	1,3%
Other products	54,1	50,5	-19,1%	3,7	62,3%
Total agricultural products	**6 051,8**	**4 851,9**	**1,2%**	**1 200,0**	**5,7%**
as % of total imports	**12,9%**	**21,9%**	**-**	**4,9%**	**-**
Balance					
Commodities	77,1	-118,1	-	195,2	-
Intermediates	-371,0	-92,3	-	-278,7	-
Final products	-847,3	-1 412,2	-	564,9	-
Other products	-13,0	-13,6	-	0,6	-
Total agricultural products	**-1 154,1**	**-1 636,2**	**-**	**482,0**	**-**

Note: "Other products" are defined as the products which do not bear a direct linkage to agriculture, such as water, perfumes etc.
Source: Directorate General for Agriculture and Rural Development – AGRI, based in COMEXT data. Updated: January 2015

Recent estimates[5] indicate that the level of agricultural products exports in 2014 (including food, beverages, tobacco and oils) amounts to 4.6 billion euros, decreased by 3.8% compared to the previous year (4.77 billion euros). This decline comes from the drop of the value of oil exports combined, mostly, with the quantitative decline in the production of the product, since other food exports are rising. On the other hand, the value of imports is down by 1.3%, amounting to 5.763 billion euros in 2014.

These developments are expected to shape an agricultural products trade deficit amounting to 1.173 billion euros in 2014, higher than the figures of the previous year. However, based on some initial estimates, the growth trend for this deficit is expected to be constrained during 2015, due to the already significant increase of, primarily, olive oil exports, but also of beverages and tobacco, combined with an already significant reduction in imports.

[5] Announcements of the Panhellenic Exporters Association, 10/3/2015 and 7/4/2015.

The contribution of agricultural products in the country's exports can also be judged by their high ranking, in 2014, among all exported goods (except mineral oils), such as fishery products (5th place, with an export value of 418 million euros), olives (6th place, with a value of 346 million euros), dairy products (7th place, with a value of 324 million euros), cotton (9th place, with a value of 309 million products), specific fruits (apricots, cherries and peaches in 11th place, with a value of 324 million euros), virgin olive oil (12th place, with a value of 237 million euros), etc.

Structure of agricultural holdings

During 2010, a significant reduction in the number of agricultural holdings is observed, compared to that of 2003. As shown by the data of the relevant table, in 2010 there are 723.060 recorded holdings, with 824.470 recorded in 2003. This is a decline of 12% or more. It is noted that only 23% of the holders is younger than 44 years old, while 33% is older than 64 years old. These two figures do not significantly vary from the EU-27 average (24.1% and 29.7% respectively).

Despite this development, the structure of agricultural holdings does not seem to vary regarding their size, with an estimated 77% of small holdings, up to 50 stremma (5 ha.), a percentage which does not significantly change compared to that of 2003 (69.3%). From an economic perspective, it is noted that the majority of agricultural holdings is concentrated in units of small economic size, since 72% corresponds to holdings with an economic calibre of less than 8,000 euros, a figure which is comparable to that of the EU-28 (73%).

Structure of agricultural holdings in Greece

Holdings		2003		2010	
		Total	%	Total	%
By UAA* (in hectares), 1ha = 10 stremma)	< 2	397 530	48,2	373 350	51,6
	2-5	229 850	27,9	183 820	25,4
	5-10	109 670	13,3	87 770	12,1
	10-20	53 510	6,5	45 580	6,3
	20-30	15 950	1,9	14 670	2,0
	30-50	11 460	1,4	10 850	1,5
	50-100	4 980	0,6	5 480	0,8
	> 100	397 530	0,2	1 540	0,2
By Economic Size	0			5 320	0,7
	< 2 000 €			235 680	32,6
	< 4 000 €			140 840	19,5
	< 8 000 €			134 970	18,7
	< 15 000 €			95 590	13,2
	< 25 000 €			53 340	7,4
	< 50 000 €			39 280	5,4
	< 100 000 €			13 500	1,9
	< 250 000 €			3 760	0,5
	< 500 000 €			540	0,1
	=/> 500 000 €			240	0,0
By LSU**	0	420 080	51,0	454 840	62,9
	0-5	373 350	38,5	197 460	27,3
	5-10	26 500	3,2	18 270	2,5
	10-15	15 550	1,9	11 560	1,6
	15-20	10 080	1,2	8 550	1,2
	20-50	25 710	3,1	23 310	3,3
	50-100	6 700	0,8	6 670	0,9
	100-500	2 100	0,3	2 210	0,3
	> 500	180	0,0	180	0,0
By age of holder	< 35	60 210	7,3	50 180	6,9
	35-44	128 350	15,6	112 710	15,6
	45-54	167 090	20,3	163 060	22,6
	55-64	180 730	21,9	156 230	21,6
	> 64	288 080	34,9	240 890	33,3
Total		**824 470**	**100,0**	**723 060**	**100,0**
UAA per 1000 hectares		**3 968**		**5 178**	
UAA per holding, in hectares		**4,8**		**7,2**	

Source: Eurostat, Farm Structure Survey, 2003 and Agricultural Census 2010. Updated: October 2013.

(*) UAA = Utilized agricultural area.
Economic size: For each activity on a farm, a standard gross margin (SGM) is estimated, based on the area (or the number of heads) and a regional coefficient. The sum of all margins, for all activities of a given farm, is its economic size, expressed in €.
(**) LSU = Livestock units. A LSU is equivalent to a dairy cow. The number of animals (heads) is converted into LSU using a set of coefficients reflecting the feed requirements of the different animal categories.

Structure of farm labour force

It can be observed that the strong familial character of agricultural holdings is maintained, since an overwhelming percentage (98%) of all labour force (1,212,730) consists of family holdings. As shown by the data of the following table, smaller holdings (under 20 stremma/2 ha.) employ women at 42%, while in larger holdings this percentage is somewhat smaller (39%). Regarding the workload (Annual Work Units), larger holdings (over 20 stremma/2 ha.) account for most of the AWUs (71.5%).

Structure of Greece's agricultural holdings

Holdings of less than 2 hectares - 2010			
Family labour force		**Non family labour force**	
persons:	574 290		
Of which, % women:	41,7		
AWUs:	106 540	AWUs:	16 010
Holders	**Other family members**	**Regular non family labour force**	**Non regular (seasonal) labour force**
persons: 373 090	persons: 201 200	persons: 5 610	
Of which, % women: 36,2	Of which, % women: 51,8	Of which, % women: 12,5	
AWUs: 72 810	AWUs: 33 730	AWUs: 3 870	AWUs: 12 140

Holdings of more than 2 hectares - 2010			
Family labour force		**Non family labour force**	
persons:	612 220		
Of which, % women:	38,8		
AWUs:	247 880	AWUs:	16 010
Holders	**Other family members**	**Regular non family labour force**	**Non regular (seasonal) labour force**
persons: 349 310	persons: 262 910	persons: 20 610	
Of which, % women: 29,4	Of which, % women: 51,4	Of which, % women: 11,7	
AWUs: 159 630	AWUs: 88 250	AWUs: 14 450	AWUs: 44 630

Total farm labour force (persons)	1 212 730
Total farm labour force (AWUs)	429 510

Source: Eurostat, Farm Structure Survey and Agricultural Census. Updated: October 2013

*AWUs = Annual work units. An AWU is equivalent to a worker employed on a full time basis for one year

However, the important decline in the labour force of agricultural holdings, compared to a previous record (1,508,190 persons in 2007), should be noted. This is a decline of about 20%, which has a negative impact on employment, but also on rural development.

Table 1: Evolution of Economic Accounts for Greek Agriculture

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2014/2005
	Value in million euros (current, basic prices)											Change (%)
Gross Value of Agricultural Production	**11996**	**12085**	**10430**	**10929**	**10744**	**10388**	**10567**	**10431**	**10577**	**10514**	**10583**	**-12,4**
Crop output	8361	8232	6799	7418	6989	6564	6803	6567	6856	6876	6951	**-15,6**
Animal output	2827	2980	2789	2676	2806	2870	2759	2766	2711	2622	2585	**-13,3**
Services	375	430	376	373	434	401	370	358	355	354	349	**-18,8**
Secondary activities	434	442	466	462	517	554	636	741	655	662	698	**57,9**
Output index (2005=100)	99,3	100,0	86,3	90,4	88,9	86,0	87,4	86,3	87,5	87,0	87,6	
(-) Intermediate Consumption	**4256**	**4495**	**4464**	**4861**	**5277**	**4744**	**4951**	**5315**	**5305**	**5242**	**5410**	**20,4**
Index (2005=100)	94,7	100,0	99,3	108,1	117,4	105,5	110,1	118,2	118,0	116,6	120,4	
(=) Gross Value Added (at basic prices)	**7740**	**7589**	**5966**	**6068**	**5467**	**5644**	**5617**	**5116**	**5282**	**5073**	**5173**	**-31,8**
GVA index (2005=100)	102,0	100,0	78,6	80,0	72,0	74,4	74,0	67,4	69,6	66,8	68,2	
(-) Consumption of Fixed Capital	**1167**	**1204**	**1273**	**1337**	**1459**	**1529**	**1522**	**1477**	**1483**	**1390**	**1302**	**8,1**
(-) Other Production Taxes	**232**	**264**	**181**	**168**	**206**	**141**	**140**	**288**	**292**	**490**	**485**	**83,7**
(+) Other Production Subsidies	**878**	**979**	**2329**	**2835**	**2906**	**2859**	**2793**	**2697**	**2644**	**2495**	**2506**	****7,6**
(=) Factor Income	**7219**	**7100**	**6841**	**7398**	**6708**	**6833**	**6748**	**6048**	**6151**	**5688**	**5892**	**-17,0**
Income index (2005=100)	101,7	100,0	96,4	104,2	94,5	96,2	95,0	85,2	86,6	80,1	83,0	

Source: Eurostat, Economic Accounts for Agriculture (Variable: aact_eaa01). Updated: 18/11/2015. *: Estimate for 2014, **: Comparison 2014/2006.

(-) Compensation of Employees	**946**	**970**	**1018**	**1026**	**905**	**803**	**764**	**721**	**664**	**627**	**597**	**-38,5**
Index (2005=100)	97,5	100,0	104,9	105,8	93,3	82,8	78,8	74,3	68,5	64,6	61,5	
(=) Operating Surplus	**6274**	**6131**	**5823**	**6372**	**5804**	**6030**	**5984**	**5327**	**5487**	**5062**	**5295**	**-13,6**
(-) Paid Interest	**139**	**184**	**153**	**168**	**175**	**179**	**162**	**160**	**130**	**141**	**138**	**-25,0**
Index (2005=100)	75,5	100,0	83,2	91,3	95,1	97,3	88,0	87,0	70,7	76,6	75,0	
(-) Payable Rents on Land	**515**	**518**	**534**	**544**	**523**	**500**	**496**	**492**	**497**	**490**	**485**	**-6,4**
(=) Entrepreneurial Income	**5620**	**5430**	**5137**	**5660**	**5107**	**5350**	**5326**	**4675**	**4861**	**4432**	**4672**	**-14,0**

Source: Eurostat, Economic Accounts for Agriculture (Variable: aact_eaa01). Updated: 18/11/2015. *: Estimate for 2014.

Table 2: Evolution of Economic Accounts of Agriculture for EU-27

	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014*	2014/2005
	Value in million euros (current, basic prices)											Change (%)
Gross Value of Agricultural Production	**350870**	**331547**	**331329**	**363279**	**383491**	**341383**	**364842**	**401187**	**411542**	**423049**	**416369**	**25,6**
Crop output	190873	170602	169466	193459	202460	175499	192508	211115	213759	218686	210299	**23,3**
Animal output	135846	136090	135586	142450	151567	136883	142334	156893	164893	169919	170779	**25,5**
Services	14414	14713	15192	15703	16856	16736	17291	18049	18423	19166	19944	**35,6**
Secondary activities	9738	10143	11086	11668	12608	12264	12710	15130	14468	15279	15347	**51,3**
Output index (2005=100)	105,8	100,0	99,9	109,6	115,7	103,0	110,0	121,0	124,1	127,6	125,6	
(-) Intermediate Consumption	**178190**	**179582**	**185006**	**203992**	**227156**	**206966**	**215162**	**238374**	**248404**	**252475**	**251012**	**39,8**
Index (2005=100)	99,2	100,0	103,0	113,6	126,5	115,2	119,8	132,7	138,3	140,6	139,8	
(=) Gross Value Added (at basic prices)	**172680**	**151965**	**146323**	**159287**	**156335**	**134417**	**149680**	**162813**	**163138**	**170574**	**165357**	**8,8**
GVA index (2005=100)	113,6	100,0	96,3	104,8	102,9	88,5	98,5	107,1	107,4	112,2	108,8	
(-) Consumption of Fixed Capital	**46675**	**48636**	**50363**	**53075**	**55451**	**55113**	**56268**	**57884**	**59894**	**60753**	**60946**	**25,3**
(-) Other Production Taxes	**4834**	**5243**	**5297**	**5527**	**5797**	**5859**	**5618**	**5295**	**5075**	**4901**	**5127**	**-2,2**
(+) Other Production Subsidies	**16774**	**29869**	**42944**	**45148**	**46676**	**48715**	**50671**	**52715**	**51891**	**52230**	**53696**	****25,0**
(=) Factor Income	**137945**	**127955**	**133607**	**145833**	**141763**	**122160**	**138465**	**152349**	**150060**	**157150**	**152980**	**19,6**
Income index (2005=100)	107,8	100,0	104,4	114,0	110,8	95,5	108,2	119,1	117,3	122,8	119,6	

Source: Eurostat, Economic Accounts for Agriculture (Variable: aact_eaa01). Updated: 18/11/2015. *: Estimate for 2014, **: Comparison 2014/2006.

(-) Compensation of Employees	**31617**	**33250**	**34330**	**35788**	**36498**	**36006**	**37232**	**35528**	**36326**	**37078**	**38917**	**17,0**
Index (2005=100)	95,1	100,0	103,2	107,6	109,8	108,3	112,0	106,9	109,3	111,5	117,0	
(=) Operating Surplus	**106327**	**94706**	**99277**	**110046**	**105264**	**86153**	**101233**	**116822**	**113734**	**120072**	**114062**	**20,4**
(-) Paid Interest	**8320**	**8415**	**9279**	**10417**	**11728**	**9402**	**8117**	**8728**	**8521**	**8031**	**7718**	**-8,3**
Index (2005=100)	98,9	100,0	110,3	123,8	139,4	111,7	96,5	103,7	101,3	95,4	91,7	
(+) Received Interest	**816**	**781**	**1.004**	**1.242**	**1.289**	**1.178**	**878**	**820**	**851**	**787**	**727**	**-6,9**
Index (2005=100)	104,5	100,0	128,6	159,0	165,0	150,8	112,4	105,0	109,0	100,8	93,1	
(-) Payable Rents on Land	**9046**	**9336**	**9667**	**9941**	**10443**	**10474**	**10939**	**11341**	**11803**	**12511**	**13152**	**40,9**
Index (2005=100)	96,9	100,0	103,5	106,5	111,9	112,2	117,2	121,5	126,4	134,0	140,9	
(=) Entrepreneurial Income	**89777**	**77735**	**81334**	**90930**	**84382**	**67455**	**83054**	**97573**	**94262**	**100318**	**93919**	**20,8**
Index (2005=100)	115,5	100,0	104,6	117,0	108,6	86,8	106,8	125,5	121,3	129,1	120,8%	

Source: Eurostat, Economic Accounts for Agriculture (Variable: aact_eaa01). Updated: 18/11/2015. *: Estimate for 2014.

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