

O E C D

DIRECTORATE FOR FOOD, AGRICULTURE AND FISHERIES  
AGRICULTURAL ELECTRONIC DATA PRODUCTS

*Producer and Consumer Support Estimates*  
**OECD Database**  
1986-2006

USER'S GUIDE



O C D E

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## USER'S GUIDE

This database is a complement to the report *Agricultural Policies in OECD countries: Monitoring and evaluation 2007*. It provides detailed information on Producer support estimates and Consumer support estimates in the Excel format. These include the complete data series on PSE/CSE, the reference prices used, the exchange rates used and a complete documentation of definitions and sources provided on a country basis.

Matrix of data availability and file references listed in the Excel file: EDP-ASE-07.xls

This guide provides an overview of the structure of the Producer support estimate and Consumer support estimate database.

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## OVERVIEW OF THE SERIES PRESENTED

All the information is provided from 1986 to 2006. The database is made of 4 subsets called “categories”.

Three of these categories hold the relevant information and data for all country/area on specific market support tables. The fourth provides information on exchange rates used for all countries. The countries/areas covered are Australia, Canada, the Czech Republic, the European Union, Hungary, Iceland, Japan, Korea, Mexico, New Zealand, Norway, Poland, the Slovak Republic, Switzerland, Turkey and the United States. EU series cover 12 countries for 1986-94, including ex-GDR from 1990 and 15 countries from 1995. From 2004, parallel series are presented for EU-15 and EU-25. From 2004, the data for the Czech Republic, Hungary, Poland and the Slovak republic are thus integrated in the EU-25 calculations. The six non OECD EU members are not included in the OECD totals.

## MEASUREMENT OF SUPPORT TO AGRICULTURE

### INTRODUCTION

The OECD has since 1987 been measuring support to agriculture using the Producer and Consumer Subsidy Equivalent (PSE/CSE) method defined in 1982<sup>1</sup>. The method incorporated the monetary value of transfers associated with all policy measures affecting agriculture grouped into four main categories: i) Market Price Support, ii) Direct Payments, iii) Reduction of Input Costs, and iv) General Services. There was, at that time, a relatively small number of policy measures within each of these categories, which were appropriate for a detailed analysis of their economic and trade effects. Other transfers associated with measures affecting agriculture but not included in these categories, were added to calculate Total Transfers associated with agricultural policies<sup>2</sup>.

The “subsidy equivalent” was initially defined as “the monetary value that would be required to compensate farmers or consumers for the loss of income resulting from the removal of a given policy measure”<sup>3</sup>. However, the OECD indicators measure transfers from taxpayers and consumers to producers arising from policies, and corresponds to a broader definition. While the initial definition is an estimate of support in terms of farm income loss or subsidy equivalent to producers, the OECD indicator has always been an estimate of support in terms of transfers to producers (PSE) and overall transfers associated with policies which support agriculture (Total transfers). Although both OECD definitions of PSE and Total transfers include the “subsidy element”, they do not separately identify it.

In order to make the names of the indicators reflect as closely as possible the underlining definitions and to make them consistent with one another, OECD countries agreed to replace “subsidy equivalent” by “support estimate” and use the following nomenclature: Producer Support Estimate (PSE), Consumer Support Estimate (CSE), General Services Support Estimate (GSSE) and Total Support Estimate (TSE). These changes were implemented for the first time with respect to the estimates for 1998. The objective was to make the indicators more consistent (across countries, policy measures, and over time), transparent (providing as much information as possible), useful and timely (for policy purposes), and more pragmatic (simple to understand and calculate).

With the reform of agricultural policies in OECD countries, the number and complexity of policy measures has increased significantly, limiting the appropriateness of the original PSE categories for the analysis of policies. This was particularly the case of the Direct Payments category, which increasingly embraced a wider range of measures providing direct transfers to farmers for achieving different objectives and with different eligibility conditions. A given objective may be achieved through different measures, whose economic impacts depend very much on the way they are implemented. Therefore, a comprehensive policy evaluation of recent policy measures requires that they be grouped according to their implementation criteria, independently of their objectives and effects. This is the basis of the classification of measures that was adopted at the same time (the 1999 Monitoring and Evaluation Report) as the new definitions and nomenclature mentioned above and which is presented in this note. It should be noted that any changes in presentation or methods concerning the PSEs and related indicators are implemented over the entire length of the time series.

This part explains the coverage, definitions, criteria of classification and methods of calculation of the four OECD indicators of support associated with agricultural policies: PSE, CSE, GSSE and TSE. The details for all countries are available in the Electronic Data Product, *OECD PSE/CSE Database*.

1. OECD, *National Policies and Agricultural Trade*, Paris, 1987.
2. See *Agricultural Policies in OECD Countries*, 1998, OECD, 1998; and *Modelling the Effects of Agricultural Policies*, OECD Economic Studies, Special Issue, N°13/Winter 1989-1990.
3. Based on work by Professor T. Josling (FAO, *Agricultural Protection: Domestic Policy and International Trade*, Rome, 1973; and FAO, *Agricultural Protection and stabilisation Policies: A framework of Measurement in the Context of Agricultural Adjustment*, Rome, 1975), building on early work by Professor W. Corden, *The Theory of Protection*, Oxford University Press, 1971.

## DEFINITIONS AND METHODS

### *Classification and definitions*

The classification of total transfers associated with agricultural policies (TSE), groups the policy measures into three main categories: transfers to producers individually (PSE), transfers to consumers individually (CSE), and transfers to general services to agriculture collectively (GSSE) as in Box 1.

**I. Producer Support Estimate (PSE):** *an indicator of the annual monetary value of gross transfers from consumers and taxpayers to support agricultural producers, measured at farm gate level, arising from policy measures which support agriculture, regardless of their nature, objectives or impacts on farm production or income.*

The Producer Support Estimate (PSE) measures the annual monetary transfers to farmers from three broad categories of policy measures that:

- Maintain domestic prices for farm goods at levels higher (and occasionally lower) than those at the country's border (*market price support*).
- Provide payments to farmers based on, for example, the quantity of a commodity produced, the amount of inputs used, the number of animals kept, the area farmed, an historical (fixed) reference period, or farmers' revenue or income (*budgetary payments*).
- Provide implicit budgetary support through tax or fee reductions that lower farm input costs, for example for investment credit, energy, and water (*budgetary revenue foregone*).

A crucial point to emphasise is that support not only comprises budget payments that appear in government accounts (which is often the popular understanding of support), but also budgetary revenues foregone, and the gap between domestic and world market prices for farm goods – market price support. The PSE measures support arising from policies targeted at agriculture relative to a situation without such policies, i.e. one in which producers are subject only to general policies (including economic, social, environmental and tax policies) of the country. Although the PSE is measured net of any producer contributions to help to finance a support policy (e.g. through a levy on production) it is fundamentally a gross concept because any costs associated with those policies that are incurred by individual producers are not deducted<sup>4</sup>. It is also a measure of nominal assistance in the sense that increased costs associated with import duties on inputs are not deducted. The PSE includes both implicit and explicit payments, such as price gaps on outputs or inputs, tax exemptions and budgetary payments, including those for remunerating non-marketed goods and services. Therefore, the indicator measures more than just the “subsidy element”. Although **farm receipts** (revenue)<sup>5</sup> are increased (or farm expenditure reduced) by the amount of support, the PSE is not in itself an estimate of the impact on farm production or income. The following paragraphs describe the main components of the PSE.

The thrust of many of the changes in policies has been to move in the direction of decoupling support from specific commodity production, and to base support on other criteria. While there is increasingly more flexibility in *what* farmers can produce in order to be entitled to support, there is often less flexibility in *how* farmers manage their operations, with greater regulatory constraints or conditions. The consequence is that policies have become more varied and complex, and more difficult to group into the previous PSE classification in ways that would permit a more accurate monitoring and evaluation of policy reform and its use in quantitative policy analysis.

In reflecting these policy developments, a new PSE classification has been devised and agreed. The key underlying criteria for the new classification is that the policy measures continue to be classified according to the way they are implemented. The proposed categories differ depending on:

4 In other words, elements in the PSE are, in general, gross transfers to producers because to receive a given payment producers have to produce or plant a specific commodity, or use a specific input, and therefore incur costs, which are not deducted from the amount of the payment, although these costs may absorb a part of the payment.

5 Farm receipts (revenues) are not the same as farm income, which is farm receipts less farm costs.

- The transfer basis for support: output (category A), input (category B), area/animal numbers/revenues/incomes (categories C, D and E), non-commodity criteria (category F);
- Whether the support is based on current (categories A, B, C, F) or historical (fixed) basis (categories D and E);
- Whether production is required (categories C and D) or not (category E).

#### **A. Support based on commodity output**

**A.1. Market Price Support (MPS):** *an indicator of the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers arising from policy measures creating a gap between domestic market prices and border prices of a specific agricultural commodity, measured at the farm gate level.*

Conditional on the production of a specific commodity, MPS includes the transfer to producers associated with both production for domestic use and exports, and is measured by the price gap applied to current production (*limited or unlimited see the label*). The MPS is **net** of financial contributions from individual producers through producer levies on sales of the specific commodity or penalties for not respecting regulations such as production quotas (3. *Price levies*); and in the case of livestock production is net of the market price support on domestically produced coarse grains and oilseeds used as animal feed (4. *Excess feed cost*).

**A.2. Payments based on output:** *an indicator of the annual monetary value of gross transfers from taxpayers to agricultural producers arising from policy measures based on current output of a specific agricultural commodity.*

**B. Payments based on input use:** *an indicator of the annual monetary value of gross transfers from taxpayers to agricultural producers arising from policy measures based on on-farm use of inputs:*

**B.1. Variable input use:** *that reduces the on-farm cost of a specific variable input or a mix of variable inputs.*

**B.2. Fixed capital formation** *that reduce the on-farm investment cost of farm buildings, equipment, plantations, irrigation, drainage, and soil improvements.*

**B.3. On-farm services** *that reduce the cost of technical, accounting, commercial, sanitary and phyto-sanitary assistance and training provided to individual farmers.*

**C. Payments based on current area planted/animal numbers/receipts/income (A/An/R/I) production required:** *an indicator of the annual monetary value of gross transfers from taxpayers to agricultural producers arising from policy measures based on current area, animal numbers or income and requiring production .:*

**C.1. of a single commodity**

**C.2. of a group of commodities**

**C.3. of all commodities.**

**D. Payments based on non-current area planted/animal numbers/receipts/income (A/An/R/I) production required:** *an indicator of the annual monetary value of gross transfers from taxpayers to agricultural producers arising from policy measures based on non-current (i.e. historical or fixed) area, animal numbers, revenue or income with current production of any commodity required.*

**E. Payments based on non-current area planted/animal numbers/receipts/income (A/An/R/I) production not required:** *an indicator of the annual monetary value of gross transfers from taxpayers to agricultural producers arising from policy measures based on non-current (i.e. historical or fixed) area, animal numbers, revenue or income with current production of any commodity not required but optional:*

**E.1. Variable rates:** *payment rates vary with respect to levels of current output or input prices.*

*E.2. Fixed rates: payment rates do not vary with respect to those parameters.*

**F. Payments based on non-commodity criteria:** *an indicator of the annual monetary value of gross transfers from taxpayers to agricultural producers arising from policy measures based on:*

**F.1. long-term resource retirement:** *transfers for the long-term retirement of factors of production from commodity production. The payments in this subcategory are distinguished from those requiring short-term resource retirement, which are based on commodity production criteria.*

**F.2. Specific non-commodity output:** *transfers for the use of farm resources to produce specific non-commodity outputs of goods and services, which are not required by regulations.*

**F.3. Other non-commodity criteria:** *transfers provided equally to all farmers, such as a flat rate or lump sum payment, not based on commodity area, animal numbers, revenue, income, and input use.*

**G. Miscellaneous payments:** *an indicator of the annual monetary value of all transfers from taxpayers to agricultural producers that cannot be disaggregated and allocated to the other categories of transfers to producers.*

**II. General Services Support Estimate (GSSE):** *an indicator of the annual monetary value of gross transfers to general services provided to agriculture collectively, arising from policy measures which support agriculture, regardless of their nature, objectives and impacts on farm production, income, or consumption of farm products.*

These payments for eligible private or public general service are provided to the agricultural sector collectively and not individually to farmers. They include payments for collective agri-environmental action and taxpayer transfers to: improve agricultural production (**H. Research and development**); agricultural training and education (**I. Agricultural schools**); control of quality and safety of food, agricultural inputs, and the environment (**J. Inspection services**); improve of off-farm collective infrastructures, including downstream and upstream industry (**K. Infrastructures**); assist marketing and promotion (**L. Marketing and promotion**); meet the costs of depreciation and disposal of public storage of agricultural products (**M. Public stockholding**); other general services that cannot be disaggregated and allocated to the above categories due, for example, to a lack of information (**N. Miscellaneous**). Unlike the PSE and CSE transfers, these transfers are not received by producers or consumers individually, and do not affect **farm receipts** (revenue) or consumption expenditure by their amount, although they may affect production and consumption of agricultural commodities.

### Box 1. New PSE classification

- I. Producer Support Estimate (PSE) [Sum of A to G]**
- A. Support based on commodity output**
    - A.1. Market price support
    - A.2. Payments based on output
  - B. Payments based on input use**
    - B.1. Variable input use
    - B.2. Fixed capital formation
    - B.3. On-farm services
  - C. Payments based on current A/An/R/I, production required**
    - C.1. of a single commodity
    - C.2. of a group of commodities
    - C.3. of all commodities
  - D. Payments based on non-current A/An/R/I, production required**
  - E. Payments based on non-current A/An/R/I, production not required**
    - E.1. Variable rates
    - E.2. Fixed rates
  - F. Payments based on non-commodity criteria**
    - F.1. Long-term resource retirement
    - F.2. Specific non-commodity output
    - F.3. Other non-commodity criteria
  - G. Miscellaneous payments**
- II. General Services Support Estimate (GSSE) [Sum of H to N]**
- H. Research and development**
  - I. Agricultural schools**
  - J. Inspection services**
  - K. Infrastructure**
  - L. Marketing and promotion**
  - M. Public stockholding**
  - N. Miscellaneous**
- III. Consumer Support Estimate (CSE) [Sum of O to R]**
- O. Transfers to producers from consumers**
  - P. Other transfers from consumers**
  - Q. Transfers to consumers from taxpayers**
  - R. Excess Feed Cost**
- IV. Total Support Estimate (TSE) [I + II + Q]**
- S. Transfers from consumers**
  - T. Transfers from taxpayers**
  - U. Budget revenues**

A (area), An (animal numbers), R (receipts) or I (income).

Labels to be attached to each programme in the above categories of policy measures:

- With/without L (with or without current commodity production limits).
- With V/F rates (with variable or fixed payment rates).
- With/without C (with or without input constraints).
- With/without E (with or without any commodity exceptions).
- Based on A/An/R/I (based on area, animal numbers, receipts or income).
- Based on SC/GC/AC (based on a single commodity, group of commodities or all commodities).

In addition to categories, the new PSE classification includes labels that may be applied to individual policies to provide further specification on the way each measure is implemented: with or without production limits or input constraints, whether payments are at fixed or variable rates. The applied labels are provided in the PSE database.

## Box 2. Definitions of labels in the new PSE classification

**With or without current commodity production limits:** defines whether or not there is a specific limitation on current commodity production (output, area or animal numbers) that is eligible to receive payments or MPS. Applied in categories A – D.

**With variable or fixed payment rates:** defines whether payments rates vary with respect to levels of current output or input prices or production/yields and/or area (variable rates); or do not vary with respect to these parameters (fixed rates). Applied in categories A – D (in E it is a specific subcategory).

**With or without input constraints:** defines whether or not there are specific requirements for the reduction, replacement, or withdrawal in the use of inputs for commodity production eligible to receive payments. Applied in categories A – F.

**With or without commodity exceptions:** defines whether or not there are prohibitions upon the production of certain commodities as a condition of eligibility for payments based on non-current A/An/R/I of commodity(ies). Applied in Category E.

**Based on area, animal numbers, receipts or income:** defines the specific attribute (*i.e.* area, animal numbers, receipts or income) on which the payment is based. Applied in categories C – E.

**Based on a single commodity, a group of commodities or all commodities:** defines whether the payment is granted for production of a single commodity, a group of commodities or all commodities. Applied in categories A, B and D ( in C it is a specific subcategory).

To reflect the way in which policies are evolving, with the gradual shift away from direct commodity-linked support, the *total PSE* will no longer be broken down into commodities. Instead the *total PSE* is broken down into four categories reflecting the *flexibility* given to farmers' production decisions within the various policy measures. These categories are:

- **Single Commodity Transfers (SCT):** the annual monetary value of gross transfers from policies linked to the production of a single commodity such that the producer must produce the designated commodity in order to receive the payment. This includes broader policies where payments are specified on a per-commodity basis.
- **Group Commodity Transfers (GCT):** the annual monetary value of gross transfers from policies whose payments are made on the basis that one or more of a designated list of commodities is produced. That is, a producer can choose among a set of allowable commodities to produce and receive a payment that does not vary with respect to this decision.
- **All Commodity Transfers (ACT):** the annual monetary value of gross transfers from policies that place no restrictions on the commodity produced but require the recipient to produce some commodity of their choice.
- **Other Transfers to Producers (OTP):** the annual monetary value of gross transfers made under policies that do not fall in the above three cases (SCT, GCT, ACT), that is, payments that do not require any commodity production at all.

These four PSE breakdown categories are mutually exclusive in the sense that payments included in one category are not included in others (*i.e.* transfers to wheat in the SCT are not included in transfers to cereals as a group in the GCT category). In this way, there are no overlaps between the categories and they therefore add up to the total PSE.

The Group Commodity Transfers include transfers to different commodity groups and the PSE database provides information on transfers to these groups. The transfers to different groups within the GCT are also mutually exclusive in the sense that payments included in one group are not included in the others (*i.e.* transfers to *grains* are not included in transfers in a group *grains and oilseeds*). The composition of the groups varies by country, depending on countries' programmes.

**III. Consumer Support Estimate (CSE):** *an indicator of the annual monetary value of gross transfers to (from) consumers of agricultural commodities, measured at the farm gate level, arising from policy measures which support agriculture, regardless of their nature, objectives or impacts on consumption of farm products.*

The CSE includes explicit and implicit consumer transfers to producers of agricultural commodities, measured at the farmgate (first consumer) level and associated with: market price support on domestically produced consumption (**O. Transfers to producers from consumers**); and transfers to the budget and/or importers on the share of consumption that is imported (**P. Other transfers from consumers**); and is **net** of any payment to consumers to compensate them for their contribution to market price support of a specific commodity (**Q. Transfers to consumers from taxpayers**); and the producer contribution (as consumers of domestically produced crops) to the market price support on crops used in animal feed (**R. Excess feed cost**). When negative, transfers from consumers measure the implicit tax on consumption associated with policies to the agricultural sector. Although consumption expenditure is increased/reduced by the amount of the implicit tax/payments, this indicator is not in itself an estimate of the impacts on consumption expenditure.

**IV. Total Support Estimate (TSE):** *an indicator of the annual monetary value of all gross transfers from taxpayers and consumers arising from policy measures which support agriculture, net of the associated budgetary receipts, regardless of their objectives and impacts on farm production and income, or consumption of farm products.*

The TSE is the sum of the explicit and implicit gross transfers from consumers of agricultural commodities to agricultural producers net of producer financial contributions (in MPS and CSE); the gross transfers from taxpayers to agricultural producers (in PSE); the gross transfers from taxpayers to general services provided to agriculture (GSSE); and the gross transfers from taxpayers to consumers of agricultural commodities (in CSE). As the transfers from consumers to producers are included in the MPS, the TSE is also the sum of the PSE, the GSSE, and the transfers from taxpayers to consumers (in CSE). The TSE measures the overall cost of agricultural support financed by consumers (**S. Transfers from consumers**) and taxpayers (**T. Transfers from taxpayers**) net of import receipts (**U. Budget revenues**).

### *Rules for classification*

#### *a) How to classify transfers associated with Market Price Support?*

Border measures on imports and exports, together with on-farm and public stockholding, domestic and foreign food aid measures, and consumption subsidies create a price wedge (gap) between domestic and border prices<sup>6</sup>. Transfers to producers (from consumers) through domestic prices for commodities higher than border prices (*price wedge or gap*) are included (+) under *PSE*, and (-) under *CSE*. Transfers to producers (from taxpayers) through **export subsidies** (the same price wedge or gap) are included in the *PSE*.

But while transfers from taxpayers for **on-farm stockholding** are transfers to producers included in the *PSE*, transfers from taxpayers for the operational costs of public purchasing agencies and the **public stock** depreciation and disposal costs are *not* in themselves transfers to producers and are included in the *GSSE*. Transfers to processors (first consumers) to compensate them for paying domestic prices higher than the border prices, and **consumption subsidies** in cash or in kind to various consumption levels are included under the *CSE*. However, when these subsidies also cover imported food, only the share attributable to domestic production is included under the *CSE* (see Box 2).

#### *b) On-farm services in PSE or services to agriculture in the GSSE?*

**On-farm services** in the *PSE* are explicit or implicit payments reducing the prices paid by farmers for services provided to them individually and therefore affecting farm receipts by the amount of the payment. This includes typically extension services and technical assistance to farmers, as well as pest and disease control on farmers' crops and livestock, through for example animal vaccination. **General services to agriculture** in the *GSSE* are explicit or implicit payments to general services provided to agriculture as a whole, which are not received by producers or consumers individually, and therefore do not affect farm receipts or consumption expenditure by the amount of the payment. This includes payments to institutions for research, the control of quality of food and agricultural inputs (through for example quarantine) or the control of the environment quality in agriculture.

#### *c) Input subsidies in the PSE or transfers for infrastructure in the GSSE?*

**Input subsidies** are typically explicit or implicit payments reducing the price paid by farmers for variable inputs (for example, fertilisers, feed, seeds, energy, water, transportation, insurance), provided to farmers through a given policy instrument or a set of instruments, including interest concessions, tax rebates and budgetary transfers to input industries to provide lower input prices for farmers.

In the absence of such instruments and with input industries (or services) providing inputs at price fully reflecting depreciation and operational costs, there are neither input subsidies (in the *PSE*) nor transfers for infrastructure (in the *GSSE*). Otherwise, **PSE transfers to producers** associated with the policy measures are, for example, the budget receipts forgone in the case of tax rebates and interest concessions (implicit payment), or the annual budgetary expenditure to compensate industry (banks) for losses associated with lower input prices paid by farmers (explicit payment). Such transfers could in principle also be measured by the gap between the price (interest or tax rate) actually paid by farmers and the price (rates) paid by others in the domestic market<sup>7</sup>.

However, public expenditure is sometimes also used with the intention for increasing the competitiveness of the sector as a whole through improving infrastructure related to input, processing and marketing industries. It is for example the case of Regulation 355/77 (replaced by Regulations 866/90 and 867/90) for improving infrastructure related to processing and marketing of agricultural products in the European Union. Such transfers are not as such received by farmers and are included in **Infrastructures** in the *GSSE* and added to those in the *PSE* to estimate the overall support to agriculture (TSE).

6. Border prices are world market prices, f.o.b. for exported commodities and c.i.f. for imported commodities.

7. Sometimes, part of the budgetary transfer is kept by industry or services (banks) (and not transferred to farmers), and this part should strictly speaking be included in the *GSSE*. However, as it is not always possible to identify the part that does not accrue to producers, the *PSE* (*GSSE*) is over (under)-evaluated to some extent. The same could also be said in the case of other programmes, such as certain schemes of deficiency payments for commodities. That is one of the reasons why a price gap calculation would, in many cases, be the most appropriate. However, the choice of the method to be used will often be dictated by data availability and quality.

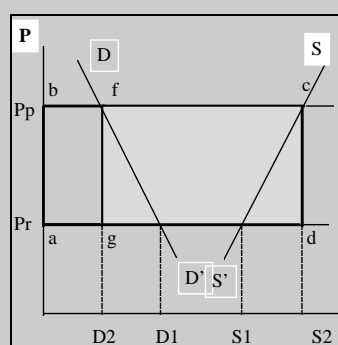
While most agricultural inputs in the OECD are provided through private investment, the off-farm provision of water for irrigation is usually based on public investment. Although in this case the initial investment is financed by taxpayers, it is not included in the PSE or GSSE. In both cases of public or private investment, and like for any other input, the question is to know if the price for water paid by farmers covers all the industry costs or not<sup>8</sup>. If the answer is no, the annual budgetary expenditure to compensate industry for operational costs associated with lower input prices for farmers is included in the PSE, while public expenditure for maintaining or improving collective infrastructure related to input, processing and marketing industries is considered in the GSSE.

### Box 3 Transfers associated with market price support

Consider the case of a country where there are border measures and government purchasing agencies (GPAs) importing, and buying and selling in the domestic market in order to maintain the domestic price close to an administered domestic price higher than the world border price.

**In the case of exported commodities (Figure 1)**, farmers sell all their production to domestic consumers (D2) and GPAs (S2-D2) at an average producer price (Pp) higher than the world reference price (Pr). The quantities purchased by the GPAs are sold in the same year in the domestic market at the average price Pp, offered as *domestic food aid* at the opportunity cost of Pp, sold in the world market (with *export subsidies*) at the average price Pr, offered as *foreign food aid* at an opportunity cost of Pr, or kept in *public storage* for later sale.

**Figure 1. Export Commodities**



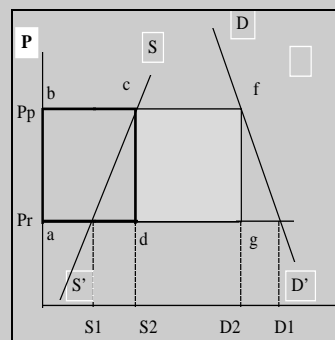
As in a given year domestic consumers and GPAs purchase all domestic production at the average price (Pp) higher than the price at which the GPAs export the commodity (Pr), the transfers to producers associated with MPS to the commodity is measured by the area  $abcd = (Pp - Pr) * S2$  and considered under **I.A. Market Price Support**. Where the area  $abfg = (Pp - Pr) * D2$  measures the share of MPS financed by consumers considered under **I.A. MPS** in the PSE, and **III.P. Transfers to producers from consumers** in the CSE; and area  $gfc = (Pp - Pr) * (S2 - D2)$  measures **transfers to producers from taxpayers**, i.e. the share of MPS financed by taxpayers considered under **I.A. MPS** in the PSE (through food aid, export subsidies, or public storage).

The CSE is the share of MPS financed by consumer [area  $abfg = (Pp - Pr) * D2$ ] (**III.P. Transfers to producers from consumers**) minus consumption subsidies in cash or in kind, and price compensating aids to processors financed by taxpayers (**III.R. Transfers to consumers from taxpayers**). The total of the transfers associated with MPS are therefore obtained by adding to the MPS in the PSE [area  $abcd = (Pp - Pr) * S2$ ], those under marketing and stockholding in the GSSE, and the consumption subsidies in cash and price compensation in the CSE.

**In the case of imported commodities (Figure 2)**, both, domestic production (S2) and imports (D2-S2) are sold in the domestic market at the average producer price (Pp). But in both cases price compensation is provided by Government to processors (first consumers) to help them to stay competitive in the world market of processed products, and some consumption subsidies in cash and in kind are also provided. The quantities domestically produced and those imported by the GPAs are sold in the same year in the domestic market at the average price Pp, offered as *domestic food aid* at the opportunity cost of Pp or as *foreign food aid* at the opportunity cost of Pr, or kept in *public storage* for later sale.

8. Sometimes, part of the price gap for farmers is paid by other consumers of the input. For example, other consumers of water finance the price gap for farmers through higher power or water prices paid by other consumers. That is another reason why the price gap calculation would, in many cases, be the most appropriate.

**Figure 2. Import Commodities**



In these conditions, the transfers to producers associated with *MPS* to the commodity is measured by area  $abcd=(P_p-P_r)*S_2$  and considered under *I.A Market Price Support* in the *PSE* and *III.P. Transfers to producers from consumers* in the *CSE*. While this area also represents the transfers from consumers to producers, the area  $dcfg=(P_p-P_r)*(D_2-S_2)$  measures the transfers from consumers to the budget through import receipts or as rents to importers or exporters due to tariff quotas (*III.Q. Other transfers from consumers or IV.V. Budget revenues*).

The *CSE* is measured by the area  $abfg=(P_p-P_r)*D_2$  (*III.P. Transfers to producers from consumer* and *III.Q. Other transfers from consumers*) minus the consumption subsidies in cash or in kind, or price compensation financed by taxpayers (*III.R. Transfers to consumers from taxpayers*). The total of transfers associated with *MPS* are therefore obtained by adding to the *MPS* in the *PSE* [area  $abcd=(P_p-P_r)*S_2$ ], those under marketing and stockholding in the *GSSE*, and the consumption subsidies in cash and price compensating aids in the *CSE*, minus the transfers from consumers to the budget and/or importers.

**In both cases, exported and imported commodities**, to provide such transfers to producers through *MPS*, other transfers are generated, mainly in the form of operational costs of GPAs, and stock depreciation and disposal costs of public stockholding. However, although these transfers contribute to create the *price gap* received by producers, they are not in themselves a transfer to producers. They are transfers to general services provided to agriculture considered in the *GSSE* under *II.M. Marketing and promotion* in the case of the operational costs of GPAs, and *II.N. Public stockholding* in the case of the stock depreciation and disposal costs, which are in most of the cases dead-weight losses.

### Criteria of classification

The *criteria* for classifying each of the policy measures included in the *PSE* into a specific category of measures, as defined in the new *PSE* classification, are expressed through the following sequence of questions. These criteria are mutually exclusive and are applied to each policy measure sequentially. Although a given policy measure may be conditional on several of the criteria, it is classified under the first applicable criterion. If a transfer to agricultural producers provided through two (or more) policy measures is available only as an aggregate amount, an allocation key is used to allocate it to the appropriate categories.

**Question 1:** Does the policy measure provide an implicit or explicit transfer to individual producers on the basis of commodity criteria (*i.e.* dependent on the output, area, animal numbers, receipts or income of commodities currently or formerly produced, or the inputs used to produce them)?

YES: go to the next question

NO: go to question 11

**Question 2:** Does the policy measure provide a transfer to agricultural producers that is conditional and based on current commodity output?

YES: consider it under *A. Support based on commodity output* and go to the next question

NO: go to question 4

**Question 3:** Does the policy measure affect the domestic market price for consumers and producers of a specific commodity?

YES: consider it under *A.1 Market price support*

NO: consider it under **A.2 Payments based on output**

**Question 4:** Does the policy measure provide an explicit or implicit payment to individual producers using a specific input, or group of inputs, to produce agricultural commodities?

YES: consider it under **B. Payments based on input use** and go to the next question

NO: go to question 7

**Question 5:** Does the policy measure reduce the on-farm cost of a single, or a set of, variable inputs (fertilisers, pesticides, animal feed, seeds, water, energy, hired labour, etc.), the maintenance and operation costs of capital (plant, machinery, buildings, etc.), or other variable costs (interest on loans for the purchase of variable inputs, insurance premiums, tax payments, etc.) ?

YES: consider it under **B.1. Payments based on variable input use**

NO: go to the next question

**Question 6:** Does the policy measure reduce the on-farm investment cost of fixed capital (e.g. farm buildings, equipment, plantations, soil improvement, drainage and irrigation)?

YES: consider it under **B.2. Payments based on fixed capital formation**

NO: consider it under **B.3. Payments based on on-farm services**

**Question 7:** Does the policy measure provide a payment to agricultural producers conditional on planting crop(s) or on maintaining livestock, and based on the **current** area (A), animal numbers (An), receipts (R), or income (I) of a single commodity, a specific group of commodities, or all commodities?

YES: consider it under **C. Payments based on current A/An/R/I, production required**, of a *single commodity (C.1), a group of commodities (C.2), or all commodities (C.3)*

NO: go to the next question

**Question 8:** Does the policy measure provide a payment to agricultural producers conditional on **planting** a crop or on **maintaining** a herd of livestock, and based on the **non-current** (past or fixed) A/An/R/I of a single commodity, a specific group of commodities, or all commodities?

YES: consider it under **D. Payments based on non-current A/An/R/I, production required**

NO: go to the next question

**Question 9:** Does the policy measure provide a payment to agricultural producers on condition that their land remains in the agricultural sector, and based on **non-current** (historical or fixed) A/An/R/I of a single commodity, a specific group of commodities, or all commodities but not required to produce commodities?

YES: consider it under **E. Payments based on non-current A/An/R/I, production not required** and go to the following question

NO: go to question 11

**Question 10:** Is the payment defined as a variable rate (*i.e.* dependent on a variation of output or input prices)?

YES: classify under **E.1 variable rate**

NO: classify under **E.2 fixed rate**

**Question 11:** Does the policy measure provide an implicit or explicit transfer to individual producers on the basis of **non-commodity** criteria (*i.e.* independent of the output, area, animal numbers, receipts or income of commodities currently or formerly produced, or the inputs used to produce them)?

YES: consider it under **F. Payments based on non-commodity** criteria and proceed to the following question

NO: classify provisionally under **G. Miscellaneous payments**, and try to get more information how the policy is implemented.<sup>9</sup>

**Question 12:** Does the policy measure require the long-term retirement of factors of production from commodity production (*e.g.* retirement of land from production, permanent reduction in milk production, afforestation or destroying trees in orchards or vineyards)?

YES: consider it under **F.1. Payments based on long-term resource retirement**

NO: go to the next question

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1. This category should be considered as provisional and contain only a small amount of payments. Efforts should be made to fill the information gaps and classify these transfers in categories A-F.

**Question 13:** Does the policy measure require the use of farm resources to produce specific non-commodity outputs (e.g. to plant hedges or build stone walls), which can be considered as either goods produced (hedges, stone walls) or services provided (e.g. protecting biodiversity or improving the countryside)?

YES: consider it under **F.2. Payments based on a specific non-commodity output**

NO: consider it under **F.3. Payments based on other non-commodity criteria**

In addition to category classification, each policy measure is assigned labels that provide additional details on policy implementation (Box 2). Like the PSE categories, labels are defined in terms of implementation criteria rather than objectives. The labels available in the database provide information on the constraints placed by policies on output levels or input use, refine the target of the policy transfer, and identify the source of the transfer.

For practical purposes the labels are presented in this more compact format but could theoretically be presented as sub-subcategories. For example, in PSE category E, the “with variable or fixed payment rates” label is used to create sub-categories E.1 and E.2. Similarly, in PSE category C, the label concerning commodity specificity (“based on a single commodity...”) is used to create sub-categories C.1, C.2 and C.3. Other labels may be presented as sub-categories if policy developments warrant the change. In designing the structure of the PSE database, the choice between treating a particular implementation criterion as a sub-category or a label is one of perceived relative importance and pragmatism, rather than a conceptual difference between these two options.

The label “with/without L” includes a *production quota* associated with policy measures in Category A, and *land set-aside* or a fixed number of animals associated with policy measures in Category C. The label refers to restrictions on production activities and not limits on payment. For example, a programme that provides an area payment for a maximum of 10 hectares (or 10 units of livestock) per farm is not labelled as having a production limit as the limit is on *payments* but not on *production*.

All PSE transfers, except those in Category A.1, can be provided under the condition that farmers respect certain production practices considered as environmental or animal welfare friendly, or addressing food safety or other societal concerns (*cross compliance*). Restrictions or obligations on using inputs as part of a generally applicable regulation do not constitute input constraints under this definition.

**d) How to treat taxes and levies?**

The PSE and CSE are defined as net of producer contributions to help financing policy measures providing support to them. This is one of the reasons why the **excess feed cost** is calculated and deducted from the market transfers to producers and to (from) consumers. The PSE and CSE are calculated relative to total production and consumption, *i.e.* including quantities domestically produced and used as feed. Therefore, the MPS for feed crops domestically produced and consumed by livestock producers is included as negative in the PSE for livestock and the CSE for crops. This avoids double-counting when aggregating the PSE/CSE for crops and livestock<sup>10</sup>.

In the same way, the receipts from **production taxes and levies** to finance a given measure are also deducted from the total amount of the payment provided to producers through such policy measures. However, the receipts from taxes and levies on purchases of inputs or penalties on farmers resulting from economy-wide regulations, for example for reducing environmental pollution, are not considered in the PSE calculation. This because the PSE is a “nominal assistance” notion, meaning that increased costs associated with import duties on inputs are not deducted; and a “gross” notion, meaning that increased costs to farmers associated with the policy measure are also not deducted. Therefore, achieving the level of environmental quality (through good agricultural practices) as required by regulations should be at the expense of farmers, and a payment for reducing pollution is support to help farmers to reach the required environmental quality (Box 3).

**Box 4 The case of negative support**

The notion of the PSE as a “gross” measure allows for cases of negative support. This is the case of agricultural policy measures which tax producers relative to what would happen in the absence of such measures, *i.e.* if only general economy-

10. The CSE for crops is therefore calculated net of producer contributions, or in other words does not include the share of domestic production used as feed in the sector. In the same way, the aggregate PSE for crops and livestock does not include the share of domestic production used as feed in the sector, but the method shows that the associated support to crops is an implicit tax on livestock products.

wide policies were in place. The typical example of negative support is an export tax or any other agricultural policy measure discouraging exports and imposing a domestic price lower than world prices.

Under the notion of the PSE as a “nominal assistance” measure, taxes applied to producers in the context of general economy-wide policies applied in a country are not included as negative support. For example, V.A.T. or other general taxes on purchases of inputs, and taxes on salaries for social protection, or taxes on inputs for environmental protection are not considered as negative support, except if the rates applied to agricultural producers are different from those resulting from the general tax, social and environmental policies. In such case, the difference between a lower rate for producers and the general rate would mean support, while the difference between a higher rate and the general rate would mean negative support. A consistent and comprehensive PSE coverage of such cases would need more work on social, tax and environmental policies.

Therefore, a producer who, confronted with the general requirement in a country to respect a given environmental quality, bears the costs incurred in eliminating pollution caused by his production activity, is respecting the Polluter Pays Principle, and is not subject to negative support. Neither is a producer paying a pollution tax, which represents the cost incurred for polluting. But, if a producer receives a payment to compensate for the costs incurred in eliminating pollution, such a payment is considered as support.

### ***Main indicators: methods of calculation***

#### *a) PSE and TSE by country*

To calculate the PSE and the TSE for a given country, the only component that has to be calculated for each commodity is that part of market price support which is financed by consumers. This is because all the other PSE and TSE components are recorded, explicitly or implicitly, as budgetary expenditure. Input subsidies in the form of interest concessions and tax rebates are budget revenue forgone that have also to be calculated, but an estimate often appears in the budget.

In calculating Total Transfers, the OECD method of calculation starts with the actual total budget transfers associated with agricultural policies. Market price support is calculated for a number of commodities, and the MPS average for these commodities is then applied to all commodities (*i.e.* to the total value of production of the whole agricultural sector) according to their share in the value of production.<sup>11</sup> This method, even when consistently applied across countries, may over-estimate or under-estimate the MPS for particular countries. The larger the share of production covered by the MPS calculation, the smaller the risk of error. Thus, error can be reduced by increasing the commodities specifically covered by MPS calculations — the “MPS commodities” as referred in this report.

The share of MPS commodities in the total value of production varies across countries. To reduce potential error, efforts have been made to extend the MPS calculation for countries where MPS commodities represent less than 70% of the total value of agricultural production for the past three years.

Table 1 shows the MPS commodities by country, commodities that are included for the first time are in bold. These additional commodities were chosen on the basis of their contribution to the total value of agricultural production.

11. Tables in Part III show, for each country, the list of commodities for which MPS is explicitly calculated, the amount of the MPS or these commodities and the shares of these commodities in the total value of agricultural production.

**Table 1. List of "MPS commodities" by country**

Australia	Wheat, Barley, Oats, Sorghum, Rice, Soyabean, Rapeseed, Sunflower, Sugar, Milk, Beef and Veal, Sheepmeat, Wool, Pigmeat, Poultry, Eggs, <b>Cotton</b>
Canada	Wheat, Maize, Barley, Rice, Soyabean, Rapeseed, Milk, Beef and Veal, Pigmeat, Poultry, Eggs
Czech Republic	Wheat, Barley, Rapeseed, Sugar, Milk, Beef and Veal, Pigmeat, Poultry, Eggs
European Union	Common Wheat, Durum Wheat, Maize, Barley, Oats, Rice, Soyabean, Rapeseed, Sunflower, Sugar, Milk, Beef and Veal, Sheepmeat, Pigmeat, Poultry, Eggs, <b>Potatoes, Flowers, Tomatoes, Wine</b>
Hungary	Wheat, Maize, Barley, Sunflower, Sugar, Milk, Beef and Veal, Sheepmeat, Pigmeat, Poultry, Eggs, <b>Potatoes</b>
Iceland	Milk, Beef and Veal, Sheepmeat, Wool, Pigmeat, Poultry, Eggs
Japan	Wheat, Barley, Rice, Soyabean, Sugar, Milk, Beef and Veal, Pigmeat, Poultry, Eggs, <b>Apples, Cabbage, Cucumbers, Grapes, Mandarins, Pears, Spinach, Strawberries, Welsh onions</b>
Korea	Barley, Rice, Soyabean, Milk, Beef and Veal, Pigmeat, Poultry, Eggs, <b>Red pepper, Garlic, Chinese cabbage</b>
Mexico	Wheat, Maize, Barley, Sorghum, Rice, Soyabean, Sugar, Milk, Beef and Veal, Pigmeat, Poultry, Eggs, <b>Tomatoes, Beans, Coffee</b>
New Zealand	Wheat, Maize, Barley, Oats, Milk, Beef and Veal, Sheepmeat, Wool, Pigmeat, Poultry, Eggs
Norway	Wheat, Barley, Oats, Milk, Beef and Veal, Sheepmeat, Wool, Pigmeat, Poultry, Eggs
Poland	Wheat, Maize, Barley, Oats, Rapeseed, Sugar, Milk, Beef and Veal, Sheepmeat, Pigmeat, Poultry, Eggs
Slovakia	Wheat, Maize, Barley, Oats, Rye, Sunflower, Rapeseed, Sugar, Milk, Beef and Veal, Pigmeat, Poultry, Eggs
Switzerland	Wheat, Maize, Barley, Oats, Rapeseed, Sugar, Milk, Beef and Veal, Sheepmeat, Pigmeat, Poultry, Eggs
Turkey	Wheat, Maize, Barley, Sunflower, Sugar, Milk, Beef and Veal, Sheepmeat, Poultry, Eggs, <b>Potatoes, Tomatoes, Tobacco, Grapes, Apples, Cotton</b>
United States	Wheat, Maize, Barley, Sorghum, Rice, Soyabean, Sugar, Milk, Beef and Veal, Sheepmeat, Wool, Pigmeat, Poultry, Eggs

b) *MPS and CSE by commodity*

All transfers included in the CSE are transfers to (from) individual consumers of a specific commodity and affect consumption decisions relating to that commodity.

*Market price support and Payments based on output* are, by definition, commodity-specific.

c) *Percentage PSE/CSE and Producer/Consumer NAC*

The PSE by country can be expressed in monetary terms — the **PSE**; as a ratio of the value of total gross farm receipts,<sup>12</sup> measured by the value of total production (at farm-gate prices), plus budgetary support — the **percentage PSE**; or a ratio between the value of total gross farm receipts including support, and production valued at world market prices without support — the **producer NAC** (Nominal Assistance Coefficient).

In algebraic form, these PSE expressions can be written as follows:

$$\%PSE = PSE / (Q \cdot P_p + PP) \times 100 \quad (1)$$

$$(100 - \%PSE) = Q \cdot P_b / (Q \cdot P_p + PP) \times 100 \quad (2)$$

12. Gross farm receipts are not the same as farm income, which is farm receipts less farm costs.

$$\left[ \frac{100}{(PSE/Q \cdot Pb) [+ 1]} \times \frac{1}{(100 - \%PSE)} \right] = \left[ \frac{\%PSE}{(100 - \%PSE)} + 1 \right] = (3)$$

Where,

PP = Payments to producers = PSE – *Market Price Support* =  $\Sigma I.B$  to *I.G* (see Box 1)

Q•Pp = value of production at producer prices (not including output payments)

Q•Pb = value of production at border prices

For example, a %PSE of 60%, expresses the share of transfers to agricultural producers in the total value of gross farm receipts (as measured by the PSE), or the share of gross farm receipts derived from policies [equation (1)]. Hence, some 40% of gross farm receipts is derived from the market without any support [equation (2)]. The value of gross farm receipts is two and a half times (or 150% higher than) what they would be if entirely obtained at world prices without any budgetary support [equation (3)] — a producer NAC of 2.50.

When the producer NAC is equal to one, this means that gross farm receipts are entirely derived from the market without any support. Therefore, the higher the producer NAC, the lower (greater) the share of gross farm receipts derived from the market (support). This can be seen as an indicator of *market orientation*, i.e. the degree of influence of market signals (relative to those from government intervention) on the orientation of agricultural production.

All transfers included in the CSE are implicit taxes or explicit budgetary transfers to consumers of agricultural commodities affecting consumer expenditure (valued at the farm gate) of agricultural commodities. Therefore, the CSE by country and by commodity can be expressed in monetary terms — the **CSE** as a ratio of the total value of consumption expenditure on commodities domestically produced, measured by the value of total consumption (at farm-gate prices), minus budgetary support to consumers (the **percentage CSE**); or, a ratio between the total value of consumption expenditure on commodities domestically produced, including support to producers, and consumption valued at world market prices, without budgetary support to consumers (the **consumer NAC**).

In algebraic form, the CSE expressions can be written as follows:

$$\%CSE = CSE / (Qc \cdot Pd - TC) \times 100 \quad (4)$$

$$(100 - \%CSE) = Qc \cdot Pb / (Qc \cdot Pd - TC) \times 100 \quad (5)$$

$$\left[ \frac{100}{(100 + \%CSE)} \right] = \left[ \frac{\%CSE}{(100 + \%CSE)} + 1 \right] = \left[ \frac{CSE / Qc \cdot Pb}{[+ 1]} \right] = NACc \quad (6)$$

Where,

TC = taxpayer transfers to consumers = *III.R. Transfers to consumers from taxpayers* (Box II.3)

Qc•Pd = value of consumption at domestic prices (at the farm gate)

Qc•Pb = value of consumption at border prices

For example, a %CSE of –60% indicates that 60% of total consumption expenditure on agricultural commodities represents a transfer from consumers to producers or the share of the consumption expenditure created by policies [equation (4)]. A consumer NAC of 2.50 indicates that expenditure by primary consumers is two-and-a-half times, or 150%, higher than it would have been if it had been conducted entirely at world market prices without any budgetary support to consumers [equation (6)].

When the consumer NAC is equal to one, this means that total consumer expenditure on agricultural commodities is at market prices, without any support to producers and consumers. Therefore, the higher the consumer NAC, the less (more) the share of consumer expenditure reflects the market. The NAC can be seen as an indicator of *market orientation*, i.e. the degree of influence of market signals (relative to those from government intervention) on the orientation of consumption of agricultural commodities.

d) *Producer/Consumer Nominal Protection Coefficient (NPC)*

The **producer NPC** measures the ratio between the average price received by producers (at farm gate), including payments based on output (PO/tonne), and the border price (at the farm gate). In algebraic form this can be expressed as follows:

$$NPC_p = (P_p + PO/tonne) / P_b = [(P_p - P_b) + PO/tonne] / P_b + 1 \quad (7)$$

For example, an NPC<sub>p</sub> of 2 shows that the price received by farmers is twice the border price. The **producer NPC** can be seen, therefore, as an estimate of the *nominal rate of market protection* for producers, or the rate of the implicit export subsidy necessary to export any quantity produced.

The **consumer NPC** measures the ratio between the domestic price paid by consumer (at the farm gate) and the border price (at the farm gate). In algebraic form this can be expressed as follows:

$$NPC_c = (P_d / P_b) = (P_p - P_b) / P_b + 1 \quad (8)$$

For example, an NPC<sub>c</sub> of 2 shows that the price paid by consumers is twice the border price. The **consumer NPC** can be seen, therefore, as an estimate of the *nominal rate of market protection* for consumers, or the average rate of the implicit import tax applied in the domestic market.

e) *Percentage GSSE and TSE*

For a given country or commodity, the calculation of any of the indicators in percentage terms needs to have a precise meaning. This is the case when both the numerator and the denominator have an economic meaning, and the value of the transfers in the numerator can be seen as an integral part of the denominator.<sup>13</sup> Moreover, as percentage indicators take account of the effect of inflation on both the numerator and the denominator, this effect is eliminated. As a result, percentage indicators are more representative and more appropriate measures of support for analysis over time and across countries.

The **percentage GSSE** is defined as the share of support to general services provided to agriculture in the total support to agriculture (TSE), the rest being the support to individual producers and consumers of domestic agricultural commodities. In a situation of public support to agriculture, the higher the percentage GSSE, the lower the share of support affecting individual decisions on domestic production and consumption of agricultural commodities.

The TSE includes transfers from taxpayers (which are a component of the total current government expenditure) and transfers from consumers (which are a component of the total domestic consumption expenditure). Both of these transfers, from taxpayers and consumers, are included in Gross Domestic Product (GDP). Therefore, the **percentage TSE** is defined as the share of total support to agriculture in the total GDP. The higher the percentage TSE, the larger the share of national wealth used to support agriculture.

13. That is the case of the percentage PSE and CSE as defined above. The GSSE and the TSE are not a part of the total value of farm receipts (as is the PSE) nor a part of the total value of consumption expenditure of agricultural commodities (as is the CSE).

## Annex 1 : LIST OF COMMODITIES

Wheat	Poultry meat
Durum wheat	Eggs
Common wheat	Cotton
Maize	Potatoes
Other grains	Tomatoes
Oats	Beans
Barley	Red pepper
Sorghum	Garlic
Rice	Coffee beans
Oilseeds	Grapes
Sunflower	Apples
Rapeseed	Tobacco
Soybean	Cabbage
Refined sugar	Cucumbers
Milk	Mandarins
Beef and veal	Pears
Pigmeat	Spinach
Sheep meat	Straberries
Flowers	Wine
Wool	Welsh onions
Chinese cabbage	