

CHAPTER 10.

DATA AND INFORMATION REQUIREMENTS FOR CALCULATING THE INDICATORS

366. This chapter lists the data and information requirements for calculating the indicators of support, drawing on the methodology detailed in the previous chapters of Part II. Its purpose is to assist those involved in calculating indicators, whether Secretariat staff, Member country governments, independent researchers, etc., in gathering the necessary information which may be needed from a wide range of sources.

367. The indicators are calculated on an annual basis. The time scale (*i.e.* the number of years) over which the indicators are calculated will, accordingly, increase the quantity of information required.

10.1. Requirements for calculating price transfers

368. Information required on the *domestic market*:

- Value and volume of production information for individual commodities and total agriculture at the farm gate level.
- Producer (farm gate) prices, clearly indicating the unit that it is based on. For consistency within the transfer calculation, either the value of production is found by multiplying quantity by price, or alternatively the value is divided by quantity to derive a producer price.
- In the case of cereals that are used for feed, separate production and prices are required for product used as feed and that used for food, e.g. the PP for wheat is often the weighted average price of wheat used for feed and wheat used for food.
- Consumption data is also required. This can be obtained directly, or as a result of adding the volume of production and imports and subtracting imports, ensuring that the same product weight basis is used.
- Quantities of product used for feed use in the livestock sector – divided into type of feed and the livestock commodities which involve use of the feed.

369. Sources that can be used to obtain information related to *marketing margins* include:

- Estimations published by national authorities. However, such data are relatively rare, since the information is often commercially sensitive.
- Estimations obtained on a regular but often ad hoc basis from national authorities, commodity boards, major cooperatives, industry organisations or major private processing companies. For example, OFIVAL in France has estimated the processing costs of abattoirs based on survey data.
- Estimating the marketing margin as the difference between the producer price and an average wholesale price in the country considered. However, this type of estimation leads to very variable margins, and it may be appropriate to use a moving average margin for several years. This option is less preferable than the previous two.

- Using marketing margins available in other countries if no domestic information is available. This is the case when the milk reference price is estimated in importing countries, which is adjusted by subtracting the average margin in four main exporting countries ([Annex 4.1](#)). EU marketing margins for certain products are used for several non-EU European countries.

370. **Trade data** includes:

- Values and volumes for both exports (*FOB*) and imports (*CIF*) of agricultural commodities and products.
- Tariff schedule for the country – to understand the profile of tariffs imposed on imports.
- Export subsidy budgetary information.
- Exchange rates – information on official exchange rates, on an annual basis, and, if relevant, on a monthly basis so that any seasonal calculations can be made.

10.2. Requirements for calculating budgetary and other transfers

371. Data on **budgetary transfers** related to the implementation of agricultural policies is based on official budgetary information on the execution of national budgets and reports by relevant agencies. The majority of this information is publicly available on the internet sites of the ministries of finance, agriculture and central banks of the countries concerned. Administrative databases which provide detailed information on current expenditures by programmes also exist within the ministries, often on a monthly basis. These help to adequate allocation of payments to calendar years. However, this information is not publicly available.

372. Care should be exercised when budgetary information is compiled from several sources. Some sub-national expenditures may be reported both independently and as part of the expenditures made at higher administrative levels. Another case warranting caution in order to avoid double-counting is where data on the budgetary outlays is compiled through combination of sources reporting the public spending by agencies and by specific programmes/activities. It is generally preferable to use a single source of budgetary information; however, this does not often provide sufficient detail on the budgetary spending, thus making it necessary to use several sources. It is therefore important to understand the composition of the budgetary data reported in various sources used. Sources on agricultural budgetary spending may be found in the country-specific documentation (*Definitions and Sources*) available on OECD public website www.oecd.org/agr/support/psecse.

373. Estimation of **support based on revenue foregone** demands recourse to official documents describing the relevant mechanisms. For example, to estimate transfers related to preferential lending, official documents (regulations) are required describing the conditions of lending, including time terms of loans, repayment schedules and interest rates applied. In the case of debt rescheduling, all relevant government decisions outlining the conditions and schedules for repayments should be used. Information on preferential interest rates is usually available from the Ministry of Agriculture and banks involved in preferential lending. Information on market (reference) interest rates is usually published by the central banks. Ministries and agencies dealing with macro-economic issues typically provide various price and financial data.

374. **Support based on revenue foregone** presents a particular difficulty in terms of achieving consistency across countries (*e.g.* as is the case of tax concessions) because these transfers are not always measured or reported.