

PART THREE

ANNEX 1: PROPOSED CHANGES IN SELECTED INDICATOR FICHES OF THE HANDBOOK ON THE CMEF⁶

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| AXIS 1 | IMPROVING THE COMPETITIVENESS OF THE AGRICULTURAL AND FORESTRY SECTOR |
| RESULT INDICATOR | 02. INCREASE IN GROSS VALUE ADDED IN SUPPORTED HOLDINGS/ENTERPRISES |
| Type of indicator | Result indicator for axis 1, subsection 1 (improving the competitiveness of the agricultural and forestry sector by promoting knowledge and improving human potential) |
| Related measure | <p>Setting up of young farmers</p> <p>Early retirement</p> <p>Use of advisory services</p> <p>Setting up of farm management, farm relief and farm advisory services</p> <p>Farm modernisation</p> <p>Improving the economic value of forests</p> <p>Adding value to agricultural and forestry products</p> <p>Cooperation for development of new products processes and technologies in the agriculture and food sector and in the forestry sector</p> <p>Improving and developing infrastructure related to the development and adaptation of agriculture and forestry</p> <p>Helping farmers to adapt to demanding standards based on community legislation</p> |
| Measure Code | 112-113 -114-115-121-122-123-124-125-131 |
| Definition of the indicator | <p>This indicator measures the increase in gross value added (GVA) of agricultural, food or forestry holdings/enterprises that are supported. Important is that we measure the gross effect. This means that it can be possible that a change in GVA over different years can also be explained by other factors than the received support.</p> <p>To measure the GVA of the supported holdings/enterprises, we use the following proxy:</p> <p>the average profit after taxes of assisted holdings/enterprises = turnover – costs total output-total intermediate consumption, whereby:</p> <p>- costs total intermediate consumption=</p> <p>o direct inputs: seed, plants, fertilizers, crop protection products animal feed, energy, water other specific costs (for crops, livestock, forestry or other)</p> <p>contract work, ...</p> <p>o + overheads (i.e. costs linked to production activities, but not to specific lines of production): maintenance and depreciation of buildings and machinery, energy, water insurances for buildings, other overheads</p> <p>o + labor costs</p> <p>o + rent</p> <p>o + interest</p> <p>- turnover total output = Value of sales – bonuses given on sales – taxes on sales + balance of stocks + own use or consumption</p> <p>This indicator needs to be compared over different years to see its evolution</p> |
| Subdivision | <p>Division according to:</p> <ul style="list-style-type: none"> ▪ measure ▪ type of sector: <ul style="list-style-type: none"> - agriculture - food industry - forestry |
| Unit of measurement | euro |
| Level of collection | project level (for each supported holding) or measure level depending on the sources used |
| Responsible actor for collection | Measure managers will collect and centralize the necessary financial data of the supported holdings |

⁶ Text to be replaced is striked-through, new text is added in red.

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| Collection method/good practice | Collect per supported holding the costs intermediate consumption and revenues output as defined above. This information can be found in the bookkeeping of all holdings. formula: (Σ revenues output – Σ costs intermediate consumption)/ number of supported holdings |
| Source | There are a few possible sources for the bookkeeping information: <ul style="list-style-type: none"> - FADN (Farm Accountancy Data Network), - national/regional accounts or statistics, national farm accountancy network - survey: contacting the individual supported holdings for the information (information can be included in the application form) |
| Registration frequency | Per application for support and upon completion of the project Surveys should at least be scheduled in function of the evaluation moments of rural development programmes (mid term, ex post) |

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| AXIS 3 | IMPROVING THE QUALITY OF LIFE IN RURAL AREAS AND ENCOURAGING DIVERSIFICATION OF ECONOMIC ACTIVITY |
| RESULT INDICATOR | 07. INCREASE IN NON-AGRICULTURAL GROSS VALUE ADDED IN SUPPORTED BUSINESSES |
| Type of indicator | Result indicator for axis 3, subsection 1 (promote the diversification of rural economy) |
| Related measure | Diversification into non-agricultural activities Business creation and development Encouragement of tourism activities |
| Measure Code | 311-312-313 |
| Definition of the indicator | This indicator measures the increase in non-agricultural gross value added (GVA) of supported businesses. This means that it can be possible that a change in GVA over different years can also be explained by other factors than the received support. the average profit after taxes of assisted holdings/enterprises = turnover – costs – total output – total intermediate consumption , whereby: - costs total intermediate consumption = o direct inputs: seed, plants, fertilizer, animal feed, energy, water, contract work , ... o + overheads: (i.e. costs linked to production activities, but not to specific lines of production): maintenance and depreciation of buildings and machinery, energy, water insurances for buildings , other overheads o + labor costs o + rent o + interest - turnover total output = Value of sales – bonuses given on sales – taxes on sales + balance of stocks + own use or consumption This indicator needs to be compared over different years to see its evolution |
| Subdivision | – per measure – per type of holding: o agricultural holding o other enterprises |
| Unit of measurement | euro |
| Level of collection | project level (for each supported holding) or measure level depending on the sources used |
| Responsible actor for collection | Measure managers will collect and centralize the necessary financial data of the supported holdings and enterprises. |
| Collection method/good practice | Collect per supported holding the costs intermediate consumption and revenues output as defined above. This information can be found in the bookkeeping of all holdings. formula: (Σ revenues output – Σ costs intermediate consumption)/ number of supported holdings |
| Source | There are a few possible sources for the bookkeeping information: – FADN (Farm Accountancy Data Network), National Accountancy Databases – national/regional accounts or statistics, national farm accountancy network – survey: contacting the individual supported holdings for the information (information can be included in the application form) |
| Registration frequency | Per application for support and upon completion of the project. The surveys should at least be scheduled in function of the evaluation moments of rural development programmes (mid term, ex post) |