Sustainability indicator DP01

OECD Farm Level Analysis Network, 4-5 June 2018

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Background: Data collection for statutory tasks

- Commissioned by the Ministry of Economic Affairs, the Centre of Economic Information collects and disseminates primary data and statistics on the economic and sustainability performance of Dutch Agriculture, Fisheries and Forestry.

- To comply with European commitments (eg. DG-Agri, Dg-Mare and Eurostat)

- To contribute to legal obligations of other organisations: WOT N & M, CBS, PBL, RIVM

Statutory tasks

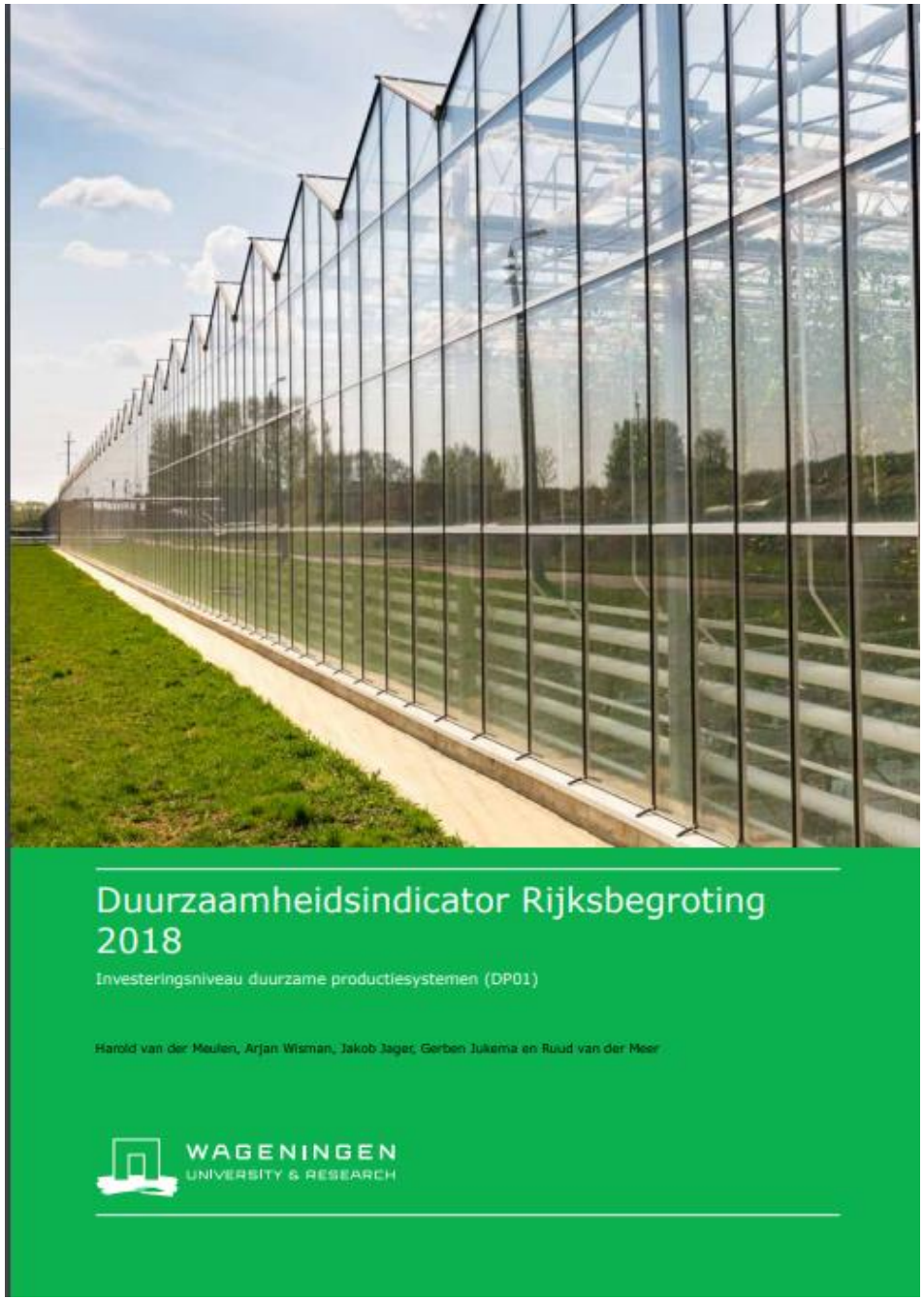
- DG Agri:
  - Farm accountancy data network
  - Selection plan
- Eurostat:
  - Indices of agricultural prices, Absolute agricultural prices
  - Land and rental prices
  - Supply balance sheets
  - Beef statistics
  - Estimates economic accounts
  - Typology
- DG MARE:
  - Fisheries data (inter alia fishing fleet, small fishing, fish processing, fish farming)
- Other:
  - Nitrates Directive derogation
  - Energy Statistics,
  - Statistics on assets and investments,
  - FAO and ICCO questionnaires,
  - Value Tables,
  - Covenants
  - Yearly governmental budget indicators

Objective

- At the request of the House of Representatives:
  - the performance of the Ministry of Agriculture (LNV) is measured annually;
  - on the basis of indicators for agriculture, horticulture and fisheries;
  - As part of the yearly budget cycle (example for National Budget of 2018).
- DP01 is based on the amount of sustainable investments compared to the amount of total investment in agriculture, horticulture and fisheries.
- Limited to primary production

Data requirements

- Total investment in fisheries, agriculture, horticulture
  - Estimated based on FADN
- Investments in sustainable production systems



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MIA / VAMIL

- Tax advance if farmers invest in innovative environmental technologies
- Max of 36% (besides normal depreciation) can be deducted (% dependent on environmental impact)
- VAMIL allows flexible depreciation of 75% of investment costs
- Aimed at horticulture and intensive livestock
- 926 million Euro applications agri- horticulture
    - Green label glasshouses (290)
    - Sustainable stables (341)
    - Fisheries (37)
    - Asbestos removal (136)

Energy investment deduction

- Incentive to invest in energy efficiency and renewable energy
- To achieve objectives national energy covenant
- Max 41.5% of investment costs can be deducted
- 2730 applications agriculture and horticulture
- 67 million of applications approved

Green investments

- Green investment funds
  - Examples wind energy, organic farming, use of residual heat
- Project needs to be approved by government
- Exempted from property tax till ca 55kEuro per person
- Investment amount in agri and horticulture 318 million euro, large share investments on organic farms

Sustainable stables

- Investment in stables which additional measures for animal welfare and health, environment (reduction of emission of ammonia) and labour conditions
- New stables or renovations
- 40% of the additional costs (with max of 250 kEuro per application)
- 0.5 mln euro of subsidies

Subsidy Environmental friendly investments

- Environmental friendly machinery, improvement water quality, energy savings, renewable energy
- Subsidy rate 25% - 35%
- 0.14 million euro

Sustainable investments

- Total sustainable investments 1.1 billion

Measure	Euro
MIA / VAMIL	736.4
Energy investment	67.2
Green investment	295
Sustainable stables	see mia/vamil
Environmental investments	0.5
Fishery fleet	2.7
Total investment	1102

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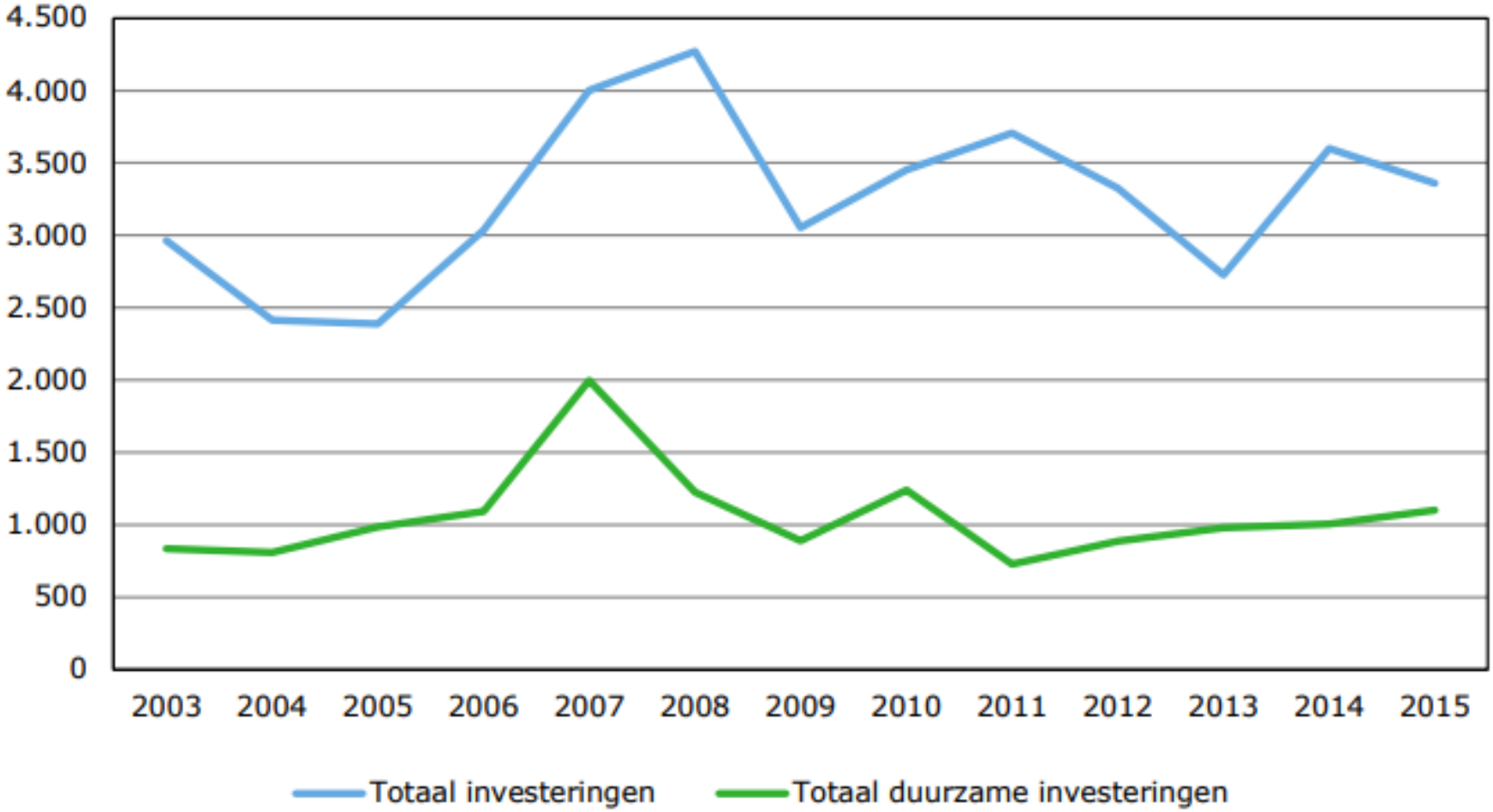
Total investments

- Estimated based on Dutch FADN, excl. investments in land, quota and residential buildings

Investments	Euro (mln)
Investments buildings	1.351
Investments glass	183
Investments installations	656
Investment machines and tools	994
Investments other	133
Investment in fisheries	43
Total investments in agriculture, horticulture and fisheries for DP01	3,359

- Share of sustainable investments 33%

Development



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Limitations

- Under estimation:
  - Farms do not apply for subsidies or use tax deductions
  - Production systems which are considered to be sustainable but are not covered by one of the policy measures

Further questions?

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