# ARGENTINA: ESTIMATES OF SUPPORT TO AGRICULTURE

Contact person: Jesus Anton and Florence Bossard

Email: Jesus.anton@oecd.org; Florence.bossard@oecd.org

Tel: (33-1) 85 55 44 33; (33-1) 45 24 95 19

Fax: 33 (0)1 44 30 61 59

## **DEFINITIONS AND SOURCES**

Table 1. Agricultural Support Estimates / Total Transfers contains country Total Support Estimate (TSE) and derived indicators, which cover all agricultural production, i.e. all agricultural commodities produced in the country. Definitions of basic data sets refer to the specific programmes applied in the country. For the Producer Support Estimate (PSE) and Consumer Support Estimate (CSE), each policy measure is classified according to implementation criteria, which includes: the *transfer basis* of support (output, input, area/animal numbers/receipts/income, and non-commodity criteria); whether support is based on *current or non-current basis*; whether *production is required* or *not* to receive payment. Each policy measure is also assigned several "labels" indicating additional implementation criteria. "MPS commodities", which vary across countries, are those for which the market price support is explicitly calculated in Tables 4.1 – 4.10.

**Table 2. Breakdown of PSE by Commodity and Other Transfers** provides a breakdown of the total PSE into four categories, reflecting the flexibility given to farmers regarding which commodity to produce within the various policy measures. These categories are: Single Commodity Transfers (SCT); Group Commodity Transfers (GCT); All Commodity Transfers (ACT); and Other Transfers to Producers (OTP). All data sets in Table 2 come from Tables 1 and 3.1 – 3.11 where definitions are included.

**Tables 3.1–3.10 Producer Single Commodity Transfers** contain producer SCT by commodity, which are calculated for Argentina for the following commodities: wheat, maize, soybeans, sunflower, fruit and vegetables, milk, beef and veal, pig meat, poultry meat and eggs. In addition, SCT for "other commodities" is also calculated (Table 3.11), which covers transfers *to single commodities other than MPS commodities*. All data sets in the calculation of producer SCT by commodity come from Tables 1 and 4.1-4.10 where definitions are included.

**Tables 4.1–4. 10** contain **Market Price Support** (MPS) and **Consumer Single Commodity Transfers** (consumer SCT) by commodity, calculated for the same set of commodities as **Tables 3.1** to **3.10**. Definitions are provided only for basic data sets from which all the other data sets in this table are derived.

Definitions of the indicators, criteria for classification of policy transfers included in support estimation, and methods of calculation are contained in <a href="the PSE Manual">the PSE Manual</a> (OECD's Producer Support Estimate and Related indicators of Agricultural Support: Concepts, Calculations, Interpretation and Use).

#### TABLE 1: ARGENTINA: TOTAL SUPPORT ESTIMATE

# Definitions:

- **I. Total value of production (at farm gate):** Total agricultural production valued at farm gate prices, i.e. value (at farm gate) of all agricultural commodities produced in the country [1].
- *I.1. Of which share of MPS commodities (%):* Share of commodities for which MPS is explicitly calculated (in Tables 4.1-4-10) in the total value of agricultural production.
- II. Total value of consumption (at farm gate): Consumption of all commodities domestically produced valued at farm gate prices, and estimated by increasing the value of consumption (at farm gate) of the MPS commodities according to their share in the total value of agricultural production  $[(II.1) / (I.1) \times 100]$ .
- *II.1. Of which MPS commodities:* Sum of the value of consumption (at farm gate prices) of the MPS commodities as indicated in Tables 4.1-4.10.
- **III.1 Producer Support Estimate (PSE):** Associated with total agricultural production, i.e. for all commodities domestically produced [Sum of A to G; when negative, the amounts represent an implicit or explicit tax on producers].

## A. Support based on commodity output

A.1. Market Price Support (MPS): On quantities domestically produced (excluding for on-farm feed use - Excess Feed Cost) of all agricultural commodities, estimated by increasing the MPS for the MPS commodities according to their share in the total value of production (VP) by commodity group [for each commodity group:  $(\Sigma MPS \text{ for MPS commodities}) / (\Sigma VP \text{ for MPS commodities}) \times VP \text{ for total group; the total MPS is then calculated as the sum of MPS by commodity group]. For Argentina, the commodity groups considered are: group 1 (crops, except fruit and vegetables), group 2 (livestock), group 3 (fruit and vegetables).$ 

## A.2. Payments based on output

Small Dairy Producer Re-composition Scheme - Resolution 769/2015

Period of implementation: 2015-16

Compensations of ARS 0.30 per litre of raw milk produced for industry, up to a daily average of 6000 litres, calculated on a monthly basis - Resolution 769/2015.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

Payments are included in milk Single Commodity Transfers.

## Special Tobacco Fund - Remuneration to the tobacco producer

Period of implementation: 1997-2019

The Special Tobacco Fund (FET) created by the Decree Law No 19.800 (1972) is financed by a sales tax on cigarettes. Twenty per cent (20%) of the fund are spent by the State Secretariat of Agroindustry and eighty per cent (80%) by the Provinces on different programmes that benefit tobacco producing provinces. A share of the expenditure by provinces complements the producer price with a payment per tonne. Depending on the

amount of tobacco stocked and the type of tobacco produced, each producer receives an additional sum to the price received from the market. There is a limit on the total expenditure: a ceiling of USD 75 million according to Argentina's maximum bound limit for this kind of subsidy in the World Trade Organization (WTO).

The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector.

Use of labels: Production and payment limits: YES; Variable payment rates: YES; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers.

Compensation for soybean producers

Period of implementation: 2017

Compensation of 5% of the official FOB price (value per ton) of soybeans, corresponding to the month of sale, for the first 2000 tons per producer, in the provinces covered by the Belgrano Plan (Salta, Jujuy, Tucumán, La Rioja, Catamarca, Misiones, Corrientes, Chaco, Formosa and Santiago del Estero). Joint General Resolution 3993-E / 2017 of the Secretariat of Agribusiness and the Federal Administration of Public Revenue.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

Payments are included in soybean Single Commodity Transfers.

## B. Payments based on input use

B.1. Payments based on variable input use

Support for Livestock Activity (Resolution MAGyP N° 24/2010)

Period of implementation: 2012-18

The State Secretariat of Agroindustry provides finance to selected projects originally presented by the Provinces, associations, co-operatives or the private sector. The payments finance seeding pastures, better access to feed, improved breed insemination, veterinary services and other production inputs and on farm investments. The payments are provided to beef or milk producers or their associations and require proof of purchase of the corresponding inputs, capital or services such as: pastures and grasses for cattle, infrastructure and fodder supply, balanced feed facility, kits for insemination semen for genetic breeding and veterinary services for bovine herds. The programme *Support for Livestock Activity* has three different components: one component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. This programme replaces the National Livestock Plan that ended in 2011.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Group Commodity Transfers for beef and milk.

National Livestock Plan

Period of implementation: 2006-11

The State Secretariat of Agroindustry finances selected projects that are originally presented by the Provinces, associations, cooperatives or the private sector. The payments finance seeding pastures, better access to feed, improved-breeds insemination, veterinary services and other production inputs and on farm investments. The payments are provided to beef or milk producers or their associations and require proof of purchase of the corresponding inputs, capital or services such as: pastures and grasses for cattle, infrastructure and fodder supply, balanced feed facility, kits for insemination semen for genetic breeding and veterinary services for bovine herds. The programme *Support for Livestock Activity* has three components One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Group Commodity Transfers for beef and milk.

# Formulation of Rural Development Policies

Period of implementation: 2006-19

Payments to contribute to the development of new production businesses through the incorporation of technology, fostering innovation and generation of value added. The programme also promotes associative actions to increase the scale and volume of production. In some cases, payments are intended for businesses inputs which comply with the requirement to incorporate new technologies into the production process. One-third of the total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Formulation of Family Farming Policies / Agricultural Social Program (PROINDER BIRF 4212, 7478 and PO No 106685) / Rural Inclusion and Development Program (PIDER - 2016)

Period of implementation: 1997-2018

Payments providing family farms with technical and financial assistance for approved projects. The Small Farmer Development Project (PROINDER) was launched in 1998 and financed non-reimbursable small-scale investment for on-farm productive projects and small community infrastructure works, supported by technical assistance. It also implemented training activities for technical staff and producers, and developed and disseminated tailored technologies for low-income rural communities. Currently, family farming policies finance projects to improve basic and productive infrastructure and equipment, technical assistance to improve productivity, marketing and market access for family farming production, and support for the incorporation of family farmers to the formal economy. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Actions to Increase Value Added in Agro-Food and Agro-Energy Productive Chains

Period of implementation: 2014-19

Training and technical assistance to promote and increase the value added in the agro-food chain by fostering the implementation of laws on designations of origin, geographical indications and the "Argentine Foods" quality seal, and by developing business management tools. The programme also includes actions to reduce the food and beverage industry losses and waste, the financing of productive projects within the framework of PROBIOMASA (Project for the Promotion of Energy from Biomass) and PROFOBIO (Program for the Promotion of Farming Bio-input Use). The PROFOBIO programme provides financial assistance for the purchase of bio-inputs for agro-food, agro-industrial and agro-energy production.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Increase in Adaptation Capacity and Growing Resilience of Family Farming in Northeast Argentina

Period of implementation: 2015-18

Payments to family farmers in the provinces of Argentina's north-eastern region to improve their access to water for human consumption and for productive use, to expand their productive infrastructure and for training on production management. Works for water access systems include rainwater collection and underground drilling, and water storage, treatment and distribution for household and productive consumption. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

# FET Input support

Period of implementation: 1997-2019

The Special Tobacco Fund (FET) created by the Decree Law No 19.800 (1972) is financed by a tax on the sales of cigarettes. Twenty per cent of the funds are spent by the State Secretariat of Agroindustry and 80% by the Provinces on different programmes benefiting tobacco producing provinces. A share of the expenditure by provinces complements the producer price with a payment per tonne (see FET Remuneration to Tobacco producer under A.2. Payments based on Output). The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to its effective share of expenditure, as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and six components are allocated to GSSE: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The FET Input support component, provides subsidies to buy inputs such as seeds.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers.

## FINAGRO Interest rate subsidies - Pigmeat - Inputs

Period of implementation: 2006-18

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Pigmeat Single Commodity Transfers.

## FINAGRO Interest rate subsidies – Poultry - Inputs

Period of implementation: 2006-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Poultry Single Commodity Transfers.

FINAGRO Interest rate subsidies – Beef - Inputs

Period of implementation: 2006-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Beef Single Commodity Transfers.

#### FINAGRO Interest rate subsidies - Milk - Inputs

Period of implementation: 2006-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Milk Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Wheat - Inputs

Period of implementation: 2009-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Wheat Single Commodity Transfers.

## FINAGRO Interest rate subsidies – Pears - Inputs

Period of implementation: 2011-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk,

wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

## FINAGRO Interest rate subsidies - Apples - Inputs

Period of implementation: 2011-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

## FINAGRO Interest rate subsidies - Crops - Inputs

Period of implementation: 2012-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Crops Group Commodity Transfers.

## FINAGRO Interest rate subsidies – Other commodities - Inputs

Period of implementation: 2015-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small-scale producers' access to credit. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay the difference of the interest rate charged by the bank to producers. FINAGRO has three components depending on the type of credit. One component is estimated to be equivalent to one-third of its total budget, and provides credit for variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

## FONDAGRO - Inputs

Period of implementation: 2017-19

The National Trust Fund of Agroindustry (FONDAGRO) was created by Law No. 27,341 to foster regional production, mainly by granting loans at subsidized rates for farmers who do not benefit from traditional credit through banking organizations. The rates granted by FONDAGRO are below financial market rates. All loans in 2017 were granted to generate regional economies projects, financing activities of pruning, fertilization, sanitary management and improvements in harvest, recertification of safety standards, purchase of anti-hail meshes, purchase of products and inputs to fight carpocapsa. One component is estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

## B.2. Payments based on fixed capital formation

Support for Livestock Activity (Resolution MAGyP N° 24/2010)

Period of implementation: 2012-18

The State Secretariat of Agroindustry finances selected projects originally presented by the Provinces, associations, cooperatives or the private sector. The payments finance seeding pastures, better access to feed, improved-breeds insemination, veterinary services, other production inputs and on farm investments. The payments are provided to beef or milk producers or their associations and require proof of the purchase of the corresponding inputs, capital or services such as: pastures and grasses for cattle, infrastructure and fodder supply, balanced feed facility, kits for insemination and semen for genetic breeding and veterinary services for bovine herds. The programme *Support for Livestock Activity* has three components depending of the purpose of the purchase. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. This programme replaces the National Livestock Plan that ended in 2011.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Group Commodity Transfers for beef and milk.

# National Livestock Plan

Period of implementation: 2006-11

The State Secretariat of Agroindustry finances selected projects originally presented by the Provinces, associations, cooperatives or the private sector. The payments finance seeding pastures, better access to feed, improved-breeds insemination, veterinary services, other production inputs and on farm investments. The payments are provided to beef or milk producers or their associations and require proof of purchase of the

corresponding inputs, capital or services such as: pastures and grasses for cattle, infrastructure and fodder supply, balanced feed facility, kits for insemination semen for genetic breeding and veterinary services for bovine herds. This programme ended in 2011 and was replaced by the *Support for Livestock Activity (Resolution MAGyP N° 24/2010)*. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Group Commodity Transfers for beef and milk

*Sheep Fiduciary Fund - Regime for the Recovery of Sheep Cattle (Law N ° 25.422)* 

Period of implementation: 2007-19.

Payments and preferential credit to finance production projects (for infrastructure, feeding, animal health, management and genetic improvement), product processing and marketing, based on the evaluation of conditions and national, regional and provincial needs, promoting the competitiveness and sustainability of the sheep sector.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers

Regime for the Recovery, Promotion and Development of the Caprine Activity (Law No. 26,141)

Period of implementation: 2007-19

Payments and preferential credit to finance production projects (for infrastructure, feeding, animal health, management and genetic improvement), product processing and marketing, based on the evaluation of conditions and national, regional and provincial needs, promoting the competitiveness and sustainability of the goat sector.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers

Formulation of Rural Development Policies

Period of implementation: 2006-19

Payments to contribute to the development of new production businesses: incorporation of technology, foster innovation and generation of value added. The programme also promotes associative actions to increase scale and volume of production. In some cases, payments are destined to finance businesses inputs which comply with the requirement to incorporate new technologies into the production process. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Formulation of Family Farming Policies / Agricultural Social Program (PROINDER BIRF 4212, 7478 and PO N° 106685) / Rural Inclusion and Development Program (PIDER - 2016)

Period of implementation: 1997-2018

Payments providing family farms with technical and financial assistance for approved projects. The Small Farmer Development Project (PROINDER) was launched in 1998 and financed non-reimbursable small-scale investment for on-farm productive projects and small community infrastructure works, supported by technical assistance. It also implemented training activities for technical staff and producers, and developed and disseminated tailored technologies for low-income rural communities. At present, Family Farming Policies finance projects to improve basic and productive infrastructure and equipment, technical assistance to improve productivity, marketing and market access for family farming production, and support for the incorporation of farmers to the formal economy. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Increase in the Competitiveness of the Sugar Sector in the NOA - CAF 7790

Period of implementation: 2012-19

Budgetary expenditure to provide training, technical assistance and financial support for the improvement of the productive infrastructure and the purchase of machinery and equipment. The programme also promotes the competitiveness of the sugar sector in Argentina's north-western region, and enhances management capacity, competitiveness and organisation among small sugarcane growers. It includes financing for the construction of new distilleries, the extension of existing facilities for bio-ethanol production and the treatment of effluents and other waste. The programme also finances the extension or improvement of the sugar manufacturing capacity and the installation of new technical irrigation systems to increase the productivity of sugar cane plantations. One component estimated to be equivalent to 1/2 of its total budget is provided for the acquisition of fixed capital and on farm investment; and the other 1/2 for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers.

Actions to Increase Value Added in Agro-Food and Agro-Energy Productive Chains

Period of implementation: 2014-19

Training and technical assistance to promote and increase the value added in the agro-food chain by fostering the implementation of laws on designations of origin, geographical indications and the "Argentine Foods" quality seal, and by developing business management tools. The programme also includes actions to reduce food and beverage industry losses and waste; and finances productive projects within the framework of Project for the Promotion of Energy from Biomass (PROBIOMASA) and the Promotion of Farming Bio-input Use (PROFOBIO) The PROFOBIO programme provides financial assistance for the purchase of bio-inputs for agro-food, agro-industrial and agro-energy production.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Increase in Adaptation Capacity and Growing Resilience of Family Farming in Northeast Argentina

Period of implementation: 2015-18

Payments to family farmers in the provinces of Argentina's north-eastern region to improve their access to water for human consumption and productive use, to expand their productive infrastructure and for training on production management. Works for water access systems include rainwater collection and underground drilling, water storage, treatment and distribution for household and productive consumption. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Law 26,509 - Agricultural Emergency

Period of implementation: 2006-19

Direct payments, debt consolidation and preferential credit to aid farmers rebuild their production capacity when affected by climatic or natural extreme events. The payments are provided under different sets of conditions for: 1/ Farmers in the agricultural emergency areas affected in terms of production or production capacity by at least fifty percent (50%); 2/ Farmers in disaster areas affected in terms of production or production capacity by at least eighty percent (80%).

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

FET Investment

Period of implementation: 1997-2019

The Special Tobacco Fund (FET) created by the Decree Law No 19.800 (1972) is financed by a sales tax on cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) by the Provinces on different programmes that benefit tobacco producing provinces. A share of the expenditure by the provinces complements the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to its effective share of expenditure as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and the six components under the GSSE are: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The FET Investment component provides support for structural adjustment, technology and reconstruction after disasters.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Pigmeat - Investment

Period of implementation: 2006-18

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal and provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Pigmeat Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Poultry - Investment

Period of implementation: 2006-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Poultry Single Commodity Transfers.

## FINAGRO Interest rate subsidies – Beef - Investment

Period of implementation: 2006-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Beef Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Milk - Investment

Period of implementation: 2006-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Milk Single Commodity Transfers.

## FINAGRO Interest rate subsidies - Wheat - Investment

Period of implementation: 2009-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Wheat Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Pears - Investment

Period of implementation: 2011-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

FINAGRO Interest rate subsidies – Apples - Investment

Period of implementation: 2011-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

## FINAGRO Interest rate subsidies - Crops - Investment

Period of implementation: 2012-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Crops Group Commodity Transfers.

#### FINAGRO Interest rate subsidies – Other commodities - Investment

Period of implementation: 2015-19

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

#### FONDAGRO - Investment

Period of implementation: 2019

The National Trust Fund of Agroindustry (FONDAGRO) was created by Law No. 27,341 to foster regional production, mainly by granting loans at subsidized rates for farmers who do not benefit from traditional credit through banking organizations. The rates granted by FONDAGRO are below financial market rates. All loans in 2017 were granted to regional economies' projects, financing activities of pruning, fertilization, sanitary management and improvements in harvest, fertilization, recertification of safety standards, purchase of anti-hail meshes, purchase of products and inputs to fight carpocapsa, among other actions. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

## B.3. Payments based on on-farm services

Support for Livestock Activity (Resolution MAGyP Nº 24/2010)

Period of implementation: 2012-18

The State Secretariat of Agroindustry provides finance to selected projects that are originally presented by the Provinces, associations, cooperatives or the private sector. The payments financed seeding pastures, better access to feed, improved-breeds insemination, veterinary services, other production inputs and on farm investments. The payments were provided to beef and milk producers or their associations and require proof of

the purchase of the corresponding inputs, capital or services such as: pastures and grasses for cattle, infrastructure and fodder supply, balanced feed facility, kits for insemination and semen for genetic breeding and veterinary services for bovine herds. The programme *Support for Livestock Activity* has three different components depending of the purpose of the purchase. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. This programme substitutes the National Livestock Plan that ended in 2011.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Group Commodity Transfers for beef and milk.

#### National Livestock Plan

Period of implementation: 2006-11

The State Secretariat of Agroindustry provides finance to selected projects that are originally presented by the Provinces, associations, cooperatives or the private sector. The payments finance seeding pastures, better access to feed, improved-breeds insemination, veterinary services and other production inputs and on-farm capital. The payments are provided to beef or milk producers or their associations and require proof of purchase of the corresponding inputs or services. This programme ended in 2011 and was replaced by the *Support for Livestock Activity (Resolution MAGyP No 24/2010)*. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Group Commodity Transfers for beef and milk

## Formulation of Rural Development Policies

Period of implementation: 2006-17

Payments to contribute to the development of new production businesses: incorporation of technology, foster innovation and generation of value added. The programme also promotes associative actions to increase scale and volume of production. In some cases, payments are intended to businesses inputs which comply with the requirement to incorporate new technologies into the production process. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Formulation of Family Farming Policies / Agricultural Social Program (PROINDER BIRF 4212, 7478 and PO N° 106685) / Rural Inclusion and Development Program (PIDER - 2016)

Period of implementation: 1997-2017

Payments providing family farms with technical and financial assistance for approved projects. In 1998 the Small Farmer Development Project (PROINDER) was launched, which financed non-reimbursable small-scale investment for on-farm productive projects and small community infrastructure works, supported by technical assistance. It also implemented training activities for technical staff and producers, and developed and disseminated tailored technologies for low-income rural communities. Currently, family farming policies finance projects to improve basic and productive infrastructure and equipment, technical assistance to improve productivity, marketing and market access for family farming production, and support for the incorporation of family farmers to the formal economy. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Increase in the Competitiveness of the Sugar Sector in the NOA - CAF 7790

Period of implementation: 2012-17

Budgetary expenditure to provide training, technical assistance and financial support for the improvement of the productive infrastructure and the purchase of machinery and equipment. The programme promotes the competitiveness of the sugar sector in Argentina's north-western region, and enhances management capacity, competitiveness and organization among small sugarcane growers. It includes financing for the construction of new distilleries construction and/or the extension of existing facilities for bio-ethanol production; the treatment of effluents and other waste. The programme also finances the extension or improvement of the sugar manufacture capacity and the installation of new technical irrigation systems to increase the productivity of sugar cane plantations. One component estimated to be equivalent to 1/2 of its total budget is provided for the acquisition of fixed capital and on farm investment; and the other 1/2 for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers.

Rural Development and Family Agriculture Program (PRODAF)

Period of implementation: 2013-16

Budgetary payments to promote rural development progress in the citrus and dairy chains in the province of Entre Ríos and in the cotton and livestock chains in Chaco. This includes the transfer of knowledge and new technologies, as well as facilitating access to the financing and promotion of producer organizations amongst family farms. It also provides technical assistance and training on technology, access to associative and commercial management, and development of business plans.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

Actions to Increase Value Added in Agro-Food and Agro-Energy Productive Chains

Period of implementation: 2014-17

Training and technical assistance to promote and increase the value added in the agro-food chain by fostering the implementation of laws on designations of origin, geographical indications and the "Argentine

Foods" quality seal, and by developing business management tools. The programme also includes actions to reduce food and beverage industry losses and waste; and finances projects within the framework of Project for the Promotion of Energy from Biomass (PROBIOMASA) and Program for the Promotion of Farming Bio-input Use (PROFOBIO). The PROFOBIO programme provides financial assistance for the purchase of bio-inputs for agro-food, agro-industrial and agro-energy production.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

## Increase in Adaptation Capacity and Growing Resilience of Family Farming in Northeast Argentina

Period of implementation: 2015-17

Payments to family farmers in the provinces of Argentina's north-eastern region to improve their access to water for human consumption and productive use, to expand their productive infrastructure and for training on production management. Works for water access systems include rainwater collection and underground drilling, water storage, treatment and distribution for household and productive consumption. One component estimated to be equivalent to one-third of its total budget is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

# FET services

Period of implementation: 1997-2017

The Special Tobacco Fund (FET) created by the Decree Law No 19.800 (1972) is financed by a sales tax on cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty percent (80%) by the Provinces on different programmes that benefit the tobacco producing provinces. A share of the expenditure by provinces is dedicated to complement the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to its effective share of expenditure as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and six components under the GSSE: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The FET Service component provides support for technical assistance, insurance and services such as anti-hail rockets.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Attribution to commodities e.g. payments are included in All Commodity Transfers

#### FINAGRO Interest rate subsidies – Pigmeat - Services

Period of implementation: 2006-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Pigmeat Single Commodity Transfers.

## FINAGRO Interest rate subsidies – Poultry - Services

Period of implementation: 2006-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Poultry Single Commodity Transfers.

FINAGRO Interest rate subsidies – Beef - Services

Period of implementation: 2006-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Beef Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Milk - Services

Period of implementation: 2006-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Milk Single Commodity Transfers.

#### FINAGRO Interest rate subsidies – Wheat - Services

Period of implementation: 2009-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Wheat Single Commodity Transfers.

## FINAGRO Interest rate subsidies – Pears - Services

Period of implementation: 2011-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

## FINAGRO Interest rate subsidies – Apples - Services

Period of implementation: 2011-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

## FINAGRO Interest rate subsidies - Crops - Services

Period of implementation: 2012-17

FINAGRO provides credit under preferential conditions, in particular, a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Crops Group Commodity Transfers.

## FINAGRO Interest rate subsidies - Other commodities - Services

Period of implementation: 2015-17

FINAGRO provides credit under preferential conditions, in particular a subsidised interest rate to facilitate medium and small producers' access to finance. The State Secretariat of Agroindustry signs agreements with public, federal or provincial banks to pay part of the interest rate charged by the bank to producers. FINAGRO has three different components depending on the purpose of the credit. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services. The programme benefits producers of the following commodities: pigmeat, poultry, beef, milk, wheat, pear, apples, crops and others.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in Other Commodities Group Commodity Transfers.

#### FONDAGRO - Services

Period of implementation: 2017

The National Trust Fund of Agroindustry (FONDAGRO) was created by Law No. 27,341 to foster regional production, mainly by granting loans at subsidized rates for farmers who do not benefit from traditional credit through banking organizations. The rates granted by FONDAGRO are below financial market rates. All loans in 2017 were granted regional economies' projects, financing activities of pruning, fertilization, sanitary management and improvements in harvest, fertilization, recertification of safety standards, purchase of anti-hail meshes, purchase of products and inputs to fight carpocapsa, among other actions. One component, estimated to be equivalent to one-third of its total budget, is provided for the purchase of variable inputs; another one-third for the acquisition of fixed capital and on farm investment; and the last one-third for the purchase of on-farm services.

Use of labels: Production and payment limits: NO; Variable payment rates: NO; Input constraints: NO.

Payments are included in All Commodity Transfers.

## C. Payments based on current area planted/animal numbers/receipts/income - production required

Plan for the Sustainable Development and Promotion of Cotton Production (Law N ° 26,060)

Period of implementation: 2007-17

Payments under the Law No 26,060 that creates the Income Compensation Fund for Cotton Production (FCIPA) to mitigate the effects of abrupt and negative price fluctuations in cotton, or extraordinary production falls due to adverse climatic or biological situations. The government contracts insurance services to provide payments per hectare to producers.

Use of labels: Production and payment limits: YES; Variable payment rates: NO; Input constraints: NO.

Payments are included in other commodities Single Commodity Transfers.

- D. Payments based on non-current area planted/animal numbers/receipts/income production required
- E. Payments based on non-current area planted/animal numbers/ receipts/income production not required

## F. Payments based on non-commodity criteria

- F.1. Payments based on long-term resource retirement
- F.2. Payments based on specific non-commodity output
- F.3. Payments based on other non-commodity criteria

## G. Miscellaneous payments

III.2 Percentage PSE  $[100 \times (III.1) / ((I) + (Sum of A2 to G))]$ 

**III.3 Producer NPC:** For all agricultural commodities, the producer NPC is estimated as a weighted average of the producer NPC calculated for the individual MPS commodities and shown in Table 4. For each commodity Producer NPC = [domestic price received by producers (at the farm gate) + unit payments based on output] / border price (also at the farm gate).

**III.4 Producer NAC** [1 / (100 - (III.2)) x 100]

**IV. General Services Support Estimate (GSSE):** total budgetary expenditure to support general services provided to agriculture [Sum of H to M].

## H. Agricultural Knowledge and Innovation System

H.1. Agricultural Knowledge Generation

Fundamental Research and Technological Innovations - INTA

Period of implementation: 1997-2019

Budgetary expenditure from the Institute for National Agricultural Technologies (INTA) to finance and manage research institutes and their human resources. These specialized research institutes are located in all provinces and focus on the development of knowledge and technology for agriculture, agroindustry, food, bioenergy, animal health, biotechnology molecular biology plant protection sectors, as well as in the area of natural resources. INTA publishes research results, and registers patents and new seed varieties in INASE (National Institute of Seeds).

Applied Research, Innovation and Technology Transfer (AITT - INTA) - Research

Period of implementation: 2001-19

Budgetary expenditure from the Institute for National Agricultural Technologies (INTA) to finance and manage its fifteen regional centres, and to fund its experimental stations and extension centres network, including their human resources. This network articulates the innovation strategies, undertakes applied research, and provides extension services to farmers to adopt new technologies and practices. The programme is divided into two components: the first estimated at forty per cent (40%) of all the expenditure is focused on research, and the second component estimated at sixty per cent (60%) of the total expenditure focuses on extension.

#### FET Research

Period of implementation: 1997-2019

The Special Tobacco Fund (FET) was created by Decree Law No. 19.800 (1972) and is financed by a sales tax on cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) by the Provinces on different programmes that benefit tobacco-producing provinces. A share of the expenditure by provinces complements the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine

different categories according to its effective share of expenditure, as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and the six components under the GSSE are: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The *FET Research* component provides support for research on new technologies of production adapted to specific provinces.

H.2. Agricultural Knowledge Transfer

H2.a. education

H2.b. extension services

Applied Research, Innovation and Technology Transfer (AITT - INTA) - Extension

Period of implementation: 2001-19

Budgetary expenditure from the Institute for National Agricultural Technologies (INTA) to finance and manage its fifteen regional centres and to fund its experimental stations and extension centres network, including their human resources. This network develops the innovation strategies, undertakes applied research, and provides extension services to farmers to adopt new technologies and practices. The programme is divided into two components: the first estimated at forty per cent (40 %) of all the expenditure focuses on research, and the second estimated at sixty per cent (60%) of the total expenditure focuses on extension services.

Federal Program of Productive Reconversion - Rural Change

Period of implementation: 1997-2019

Expenditure to facilitate the adoption of new technologies by small and medium farms and firms, and to develop the capacity of groups and associations of producers. This programme is jointly managed by the State Secretariat of Agroindustry and the extension centres of the Institute for National Agricultural Technologies (INTA).

#### FET Extension

Period of implementation: 1997-2019

The Special Tobacco Fund (FET), created by the Decree Law No. 19.800 (1972), is financed by a tax on the sales of cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) are spent by the Provinces on different programmes that benefit the tobacco-producing provinces. A share of the expenditure by provinces complements the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to its effective share of expenditure, as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and the six components under the GSSE are: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure, and J3 Institutions. The FET Extension component provides support to create the capacity to develop technical support to farmers and their communities.

## I. Inspection and Control

## I.1. Agricultural product safety and inspection

# Control of Genuinance of Viticulture Production (INV)

Period of implementation: 1997-2019.

The National Wine Institute is responsible for the technical control of wine production, the industry and trade, and for the control of ethyl alcohol and methanol production, circulation, packaging, and marketing. INV undertakes inspections, samplings and expert analyses, and sanctions unlawful practices. The programme includes the standardization of methods, procedures, and technical controls to ensure the authenticity and quality of wine. As for alcohol, the INV undertakes inspections at the industrial and commercial levels.

## SENASA Laboratory services

Period of implementation: 1998-2019

SENASA is a national agency in charge of animal health, crop protection and food safety. This programme manages and finances the network of laboratories that certify the commercial and industrial quality of plant protection products, and the biological and agrochemical inputs for production and veterinarian services.

# I.2. Pest and disease inspection and control

SENASA Plant health

Period of implementation: 2001-19

SENASA undertakes actions for the early detection of pests, and establishes and implements quarantine requirements when necessary based on risk analysis, import inspections, and the movement of vegetal products. SENASA also manages the traceability system, including the National Sanitary Register of Agricultural Producers (RENSPA).

#### SENASA Animal health

Period of implementation: 1998-2019

SENASA elaborates and implements legislation related to the prevention, control and eradication of animal diseases. It undertakes studies on risk analysis, biostatistics, and epidemiology. SENASA also implements quarantine measures when required, as well as measures to avoid the development and spread of animal diseases. It develops and implements plans and programmes for the prevention and elimination of infectious diseases, and manages an information system to control sanitary risks.

# FET Inspection

Period of implementation: 1997-2019

The Special Tobacco Fund (FET) was created by the Decree Law No. 19.800 (1972) and is financed by a tax on the sales of cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) by the Provinces on different programmes that benefit tobacco-producing provinces. A share of the expenditure by provinces complements the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to its effective share of expenditure as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are B1 Input support, B2 Investment, B3 Services and the six components under the GSSE are H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The FET Inspection component provides technical support to farmers and their communities.

## Health care plan

Period of implementation: 2017-19

Actions to combat diseases of animal and plant origin (brucellosis, lobesia botrana, carpocapsa, cotton weevil, HLB, fruit fly, among others). Purchase of supplies and implementation of services. Execution through SENASA.

## *I.3. Input control*

Promotion of Trade and Seed Production (INASE)

Period of implementation: 1997-2019

This programme aims to ensure the transparency and competitiveness of the seed market, to register phytogenetic creations, to guarantee the breeder's rights and the availability of varieties. INASE performs seed quality analyses, technical audits of botanical seed laboratories, undertakes seed certification, quality control of products (inspection), registration in the National Register of Cultivars, and the granting of intellectual property titles.

## J. Development and maintenance of Infrastructure

## J.1. Hydrological Infrastructure

Program for the Development of New Irrigation Areas in Argentina I - PROSAP CAF 201205-0

Period of implementation: 2014-17

This expenditure falls under the Programme of Provincial Agricultural Services and is used to build and renovate irrigation infrastructure, including channels and investment on new irrigation and information systems for the integrated management of water resources. PROSAP CAF is co-financed by international institutions, in particular the Inter-American development Bank (IADB).

# FET irrigation

Period of implementation: 1997-2019

The Special Tobacco Fund (FET), created by the Decree Law No. 19.800 (1972) is financed by a sales tax on cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) are spent by the Provinces on different programmes that benefit tobacco-producing provinces. A share of the expenditure by the provinces complements the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed through nine separate components under nine different categories according to its effective share of expenditure as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and the six components under the GSSE are: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The FET Irrigation component builds and improves irrigation infrastructures that benefit farmers.

J.2. Storage, marketing and other physical infrastructure

Provincial Agricultural Services Program - PROSAP (IDB, IBRD and CAF)

Period of implementation: 1997-2019

Expenditures on rural infrastructure that promotes efficient agricultural production and agro-industrial transformation. This includes roads, electrification, drainage systems, tools, machinery, and productive infrastructure such as markets and post-harvest buildings. PROSAP is co-financed by international institutions, in particular the Inter-American development Bank (IADB), with the participation of local producers and Provincial governments.

## FET Infrastructure

Period of implementation: 1997-2019

The Special Tobacco Fund (FET), created by Decree Law No. 19.800 (1972) is financed by a tax on the sales of cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) are spent by the Provinces on different programmes that benefit tobacco-producing provinces. A share of the expenditure by provinces complements the producer price with a payment per tonne. The rest of the expenditure by the Provinces and by the State Secretariat of Agroindustry is spent on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to their effective share of expenditure, as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and the six components under the GSSE are: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. The FET Infrastructure component is used to build basic infrastructure such as roads and laboratories.

## J.3. Institutional infrastructure

FET Institution

Period of implementation: 1997-2019

The Special Tobacco Fund (FET), created by the Decree Law No. 19.800 (1972) is financed by a tax on the sales of cigarettes. Twenty per cent (20%) of the funds are spent by the State Secretariat of Agroindustry and eighty per cent (80%) by the Provinces on different programmes that benefit tobacco-producing provinces.

A share of the expenditure by provinces complements the producer price with a payment per tonne. The rest of the expenditure is spent by the Provinces and by the State Secretariat of Agroindustry on several specific programmes that support farmers' use of variable or fixed inputs and services, or that provide general services to the farming sector. This part of the expenditure is distributed via nine separate components under nine different categories according to its effective share of expenditure, as shown by information provided by the State Secretariat of Agroindustry. The three components under the PSE are: B1 Input support, B2 Investment, B3 Services; and six components under the GSSE: H1 Research, H2B Extension, I2 Inspection, J1 Irrigation, J2 Infrastructure and J3 Institutions. This *FET Institutions* component supports the development of producer cooperatives and associations to improve their access to market value added.

J.4. Farm restructuring

# K. Marketing and promotion

K.1. Collective schemes for processing and marketing

Studies follow up and promotion of agro-food markets

Period of implementation: 2010-19

Development of new electronic platforms for information on agro-industrial product sale and exchange operations, publication of reference prices, development of updated market information platforms, and administration of the State Secretariat of Agroindustry Open Data Portal. Official missions for the development of new agro-industrial markets are also funded by the programme.

Policies for the dairy sector

Period of implementation: 2005-19

Expenditure on different actions to improve the overall dairy chain competitiveness. They include: (i) the Argentina Dairy Integrated Management System (SIGLEA), to modernize information exchange between dairy stakeholders and public agencies; (ii) the Dairy Chain Observatory (OCLA) (public-private), to compile, analyse and disseminate information on the sector; (iii) the Dairy Operators' Survey Program, which identifies the milk processing facilities, reporting on its status, the technological level available in the different process areas, the status of compliance with environmental standards, the human resources involved...; (iv) the Dairy SMEs and Cooperatives Support Program, which provides tools to enhance the companies' management capacities.

Project of Integration of Small Producers to the Viticulture Chain (PROVIAR)

Period of implementation: 2010-14

PROVIAR provides financial assistance to wine producers and companies for the development of their business plans and the creation of associative schemes, as well as complementary technical assistance to improve the efficiency of the value chain.

## K.2. Promotion of agricultural products

# L. Cost of Public stockholding

#### M. Miscellaneous

- **V.1 Consumer Support Estimate (CSE):** Associated with agricultural production, i.e. for the quantities of commodities domestically produced, excluding the quantities used on-farm as feed -- excess feed cost. [Sum of N to Q; when negative, the amounts represent an implicit tax on consumers].
- N. Transfers to producers from consumers (TPC): Associated with market price support on all domestically produced commodities, estimated by increasing the transfers calculated for the MPS commodities according to their share in the total value of production (VP) by commodity group [for each commodity group: ( $\Sigma$ TPC for MPS commodities) / ( $\Sigma$ VP for MPS commodities) x VP for total group; the total TPC is then calculated as the sum of TPC by commodity group. For the list of commodity groups, see Section A.1. Market Price Support (MPS) within this Table 1].
- *N.1. Of which MPS commodities:* Sum of the values of transfers from consumers to producers associated with market price support for the MPS commodities as calculated in Tables 4.1 to 4.XX.
- O. Other transfers from consumers (OTC): Transfers to the budget associated with market price support on the quantities imported of domestically produced commodities, estimated by increasing the transfers calculated for the MPS commodities according to their share in the total value of production (VP) by commodity group [for each commodity group: ( $\Sigma$ OTC for MPS commodities) / ( $\Sigma$ VP for MPS commodities) x VP for total group; the total OTC is then calculated as the sum of OTC by commodity group. For the list of commodity groups, see Section A.1. Market Price Support (MPS) within this Table 1].
- O.1. Of which MPS commodities: Sum of the transfers to the budget associated with market price support on the quantities imported of the MPS commodities as calculated in Tables 4.1 to 4.XX.

## P. Transfers to consumers from taxpayers

*P.1. Commodity specific transfers to consumers:* Sum of commodity specific transfers from taxpayers to consumers (farm gate level) from Tables 4.1-4.XX, including:

# Administration and Commercial Agricultural Control (ONCCA):

Period of implementation: 2007-10

Payments to processors and distributors in the supply chain who sold products derived from wheat, maize, sunflower and soybeans in the domestic market, and to livestock producers who purchase animal feed inputs. Compensations are granted to reduce the effect of world market prices variations on domestic agro-food inputs prices in these sectors.

P.2. Non-commodity specific transfers to consumers: Sum of non-commodity specific transfers from taxpayers to consumers, including:

- **Q. Excess Feed Cost**: Associated with market price support on quantities of domestically produced crops and used on-farm as feed as calculated (Sum of *Excess Feed Cost* in the MPS Tables 4.1 and 4.2).
  - **V.2 Percentage CSE**  $[100 \times (V.1) / ((II) + (P))]$
- **V.3 Consumer NPC:** For all agricultural commodities the consumer NPC is estimated as a weighted average of the consumer NPC calculated for the individual MPS commodities and shown in Table 2. For each commodity consumer NPC = domestic price paid by consumers (at the farm gate)/ border price (also at the farm gate).
  - **V.4 Consumer NAC**  $[(1/(100 (V.2)) \times 100]$
  - **VI. Total Support Estimate** [(III.1) + (IV) + (P)] and [(R) + (S) (T)]
  - **R.** Transfers from consumers [(N) + (O)]
  - S. Transfers from taxpayers [(III.1)-(N) + (IV) + (P)]
  - T. Budget revenues [(O)]

# TABLE 2. ARGENTINA: BREAKDOWN OF PSE BY COMMODITY SPECIFICITY AND OTHER TRANSFERS

All data sets in Table 2 to come from Tables 1 and 3.1 to 3.11 where definitions are included.

## Definitions:

**I. Producer Single Commodity Transfers (producer SCT):** the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm level, arising from policy measures directly 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 policies where payments are specified on a per-commodity basis [Sum of SCTs for individual commodities from Tables 3.1-3.11].

**Percentage producer SCT**: is the commodity SCT expressed as a share of gross farm receipts for the specific commodities (including support in the denominator). This indicator can be expressed for the total SCT (Table 2), or for a specific commodity (Table 3.1 to 3.11).

```
%SCT = 100* SCT / (Value of production<sub>COM</sub> + A.2<sub>COM</sub> + B<sub>COM</sub> + C<sub>COM</sub> + D<sub>COM</sub>)
```

Share in Total PSE (%):  $SCT_{SHARE} = 100* SCT / PSE$ 

II. Group commodity transfers (GCT): the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm gate level, arising from policy measures whose payments are made on the basis that one or more of a designated list of commodities is produced. That is, a producer may produce from a set of allowable commodities and receive a transfer that does not vary with respect to this decision  $[GCT = B_{GROUP} + C_{GROUP} + D_{GROUP}]$ .

```
Share in Total PSE (%): GCT<sub>SHARE</sub> = 100* GCT / PSE
```

*Transfers to specific groups of commodities:* the GCT indicator is calculated for Australia for the following groups of commodities: All crops, fruits and vegetables, all livestock, and ruminants.

**III.** All commodity transfers (ACT): the annual monetary value of gross transfers from consumers and taxpayers to agricultural producers, measured at the farm gate level, arising from policy measures that place no restrictions on the commodity produced but require the recipient to produce some commodity of their choice  $[ACT = C_{ALL} + B_{ALL} + D_{ALL}]$ .

```
Share in Total PSE (%): ACT<sub>SHARE</sub> = 100* ACT / PSE
```

**IV. 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. [OTP = E + F + G]

Share in Total PSE (%): OTP<sub>SHARE</sub> = 100\* OTP / PSE

**V. Total PSE:** 
$$PSE = A + B + C + D + E + F + G = SCT + GCT + ACT + OTP$$

**Percentage PSE:** %PSE=100\*PSE / (Total Value of Production at farm gate+A.2.+B+C+D+E+F+G)

## TABLE 3. ARGENTINA: PRODUCER SINGLE COMMODITY TRANSFERS (BY COMMODITY)

Tables 3.1 to 3.11, provide information on Producer Single Commodity Transfers (PSCT) for the following commodities: wheat, maize, soybean, sunflower, fruit and vegetables, milk, beef, pigmeat, poultry, eggs and "other commodities". All data sets in the calculation SCT by commodity come from Tables 1 and 4.1-4.10 where definitions are included.

# Definitions:

- **I. Level of production:** Data from respective commodity Tables 4.1 4.10 (Market Price Support tables)
- II. Value of production (at farm gate): Data for respective commodity Tables 4.1 4.10 (Market Price Support tables)
- **III. Producer Single Commodity Transfers:** Sum of transfers to respective single commodity in categories A, B, C and D.
  - A. Support based on commodity output
  - A1. Market Price Support [Data for respective commodity from Table 4]
  - A2. Payments based on output

Payments based on output (A.2) provided to respective single commodity [Data from Table 1]

- B. Payments based on input use, single commodity [B.1<sub>COM</sub> + B.2<sub>COM</sub> +B.3<sub>COM</sub>]
- B1. Based on variable input use

Payments based on variable input use  $(B.1_{COM})$  provided to respective single commodity [Data from Table 1].

B2. Based on Fixed capital formation

Payments based on fixed capital formation ( $B.2_{COM}$ ) provided to respective single commodity [Data from Table 1].

B3. Based on on-farm services

Payments based on on-farm services ( $B.3_{COM}$ ) provided to respective single commodity [Data from Table 1].

# C. Payments based on current A/An/R/I, production required, single commodity

Payments based on current A/An/R/I (C<sub>COM</sub>) provided to respective single commodity [Data from Table 1].

# D. Payments based on non-current A/An/R/I, production required, single commodity

Payments based on non-current A/An/R/I, production required ( $D_{COM}$ ) provided to respective single commodity [Data from Table 1].

**IV. Percentage producer SCT :** % SCT =  $100*(III) / ((II) + (A.2) + (B_{COM}) + .(C_{COM}). + .(D_{COM}))$ 

# TABLE 4. ARGENTINA: MARKET PRICE SUPPORT AND CONSUMER SINGLE COMMODITY TRANSFERS

Tables 4.1 to 4.10, contain calculation of the Market Price Support (MPS) and Consumer Single Commodity Transfers (consumer SCT) for the following commodities: wheat, maize, soybeans, sunflower, fruit and vegetables, milk, beef, pigmeat, poultry, eggs and "other commodities". The data sets used in calculation of the MPS and consumer SCT by commodity are described below. Values for "other commodities" are derived using information on total Market Price Support and Value of Production, and individual commodity data.

#### Definitions:

## 1. WHEAT

# I. Level of production

Total domestic production.

Source: State Secretariat of Agroindustry.

## II. Producer prices (at farm gate)

In Argentina, producer prices for grains are not directly available at the farm gate level, therefore prices were derived from the Stock Exchange of the Bolsa de Comercio de Rosario (one of the world's oldest grain cash-commodity exchange) and /or the Bahia Blanca Exchange and adjusted by transportation costs processing, handling and storage margins. This allowed to obtain producer prices that are as close as possible to the farm gate level, in line with the 'like with like' comparison principle required by the PSE calculation.

The nationally representative producer price for wheat was obtained as a weighted average of the current daily prices published by the Stock Exchange's Price of the Bolsa de Comercio de Rosario (41%) and the Bahía Blanca Exchange (59%), adjusted by commercial costs. The commercial costs deducted cover the expenses incurred by farmers during marketing (handling and storage) and transportation costs. Rosario and Bahia Blanca areas are both major areas of commercial production of wheat in Argentina.

Source: State Secretariat of Agroindustry; "Márgenes Agropecuarios" magazine (www.margenes.com), based on historical data from CATAC (Argentine Confederation of Truck Transport).

## III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: net exported (NE).

Source: State Secretariat of Agroindustry; INDEC, National Institute of Statistics and Censuses, UN Comtrade database.

# V. Market price differential at the farm gate

Due to border price-related policies in place, the MPD calculated is based on the price gap for the period 1997-2015: difference between the Producer price (at farm gate) and the Reference price (at farm gate). In 2016-17 the MPD was set to zero as no domestic nor trade price-related policies have been identified. In 2018 the domestic price was above the border reference price resulting in a positive gap which was not consistent with the trade policy in place (export tax), therefore the MPD was considered to be zero.

# VI. Reference prices at the farm gate (including the definition of the margin)

F.o.b. export unit values of wheat (HS 1001 90) from 1997 to 2019.

Reference prices are F.o.b. prices minus marketing margins, domestic transportation costs and port and trading costs.

*Marketing margins:* include handling and storage costs. The source for this information is the publication "Márgenes Agropecuarios".

**Domestic transportation costs** between the farm gate and the Argentinian border: For wheat, transportation costs, by truck, were calculated for two legs for each of the seven top producing regions. First, the distance from the farm to the primary storage facility (short distance freight by inland roads, an estimated 30 km for wheat, on average). Second, the distance from the storage facility to the port or further processing point (an estimated 192 km for wheat, on average). To obtain the weighted average distance between farm gate and border by commodity, the average distance of each province was weighted using its annual production for the 20 years analysed (1997-2017). Then to obtain the overall transportation cost per tonne, the average distance calculated above is multiplied by an average cost per kilometre.

The absolute value of the domestic transportation cost was subtracted from the FOB price for wheat.

**Port and trading costs at the Argentinian ports:** Refers to the average port handling costs for various commodities at their ports of entry/exit. Port expenses (provided in USD per tonne and converted to ARS per tonne) are provided by Bolsa de Rosario for the period 2007-19; data prior to 2007 have been estimated using the annual average growth rate between 2007 and 2009. Trading expenses (ie brokers' commissions, inspection fees, bank expenses and fees) have been estimated as a percentage of border reference prices (3 %) then converted into absolute values. The sum of port and trading costs were subtracted from the FOB price for wheat.

Source: State Secretariat of Agroindustry; <a href="https://datos.agroindustria.gob.ar/dataset/estimaciones-agricolas">https://datos.agroindustria.gob.ar/dataset/estimaciones-agricolas</a> "Márgenes Agropecuarios" magazine, www.margenes.com.

# VII. Level of consumption (at farm gate)

Consumption equals total domestic use of wheat during the calendar year, i.e., total production plus imports minus exports (including flours in tonne grain equivalent).

Source: State Secretariat of Agroindustry;

## VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

# IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

#### 2. MAIZE

# I. Level of production

Total domestic production.

Source: State Secretariat of Agroindustry.

### II. Producer prices (at farm gate)

In Argentina, producer prices for grains are not directly available at the farm gate level, therefore prices were derived from the Stock Exchange of the Bolsa de Comercio de Rosario (one of the world's oldest grain cash-commodity exchange) and /or the Bahia Blanca Exchange and adjusted by transportation costs, processing, handling and storage margins. This allowed to obtain producer prices that are as close as possible to the farm gate level, in line with the 'like with like' comparison principle required by the PSE calculation.

The nationally representative producer price for maize was obtained as an annual average of the current daily prices published by the Stock Exchange's Price of the Bolsa de Comercio de Rosario adjusted by commercial costs. The commercial costs deducted cover the expenses incurred by farmers during marketing (namely: handling costs, processing costs, storage margins) and transportation costs. Rosario area is a major area of commercial production of maize in Argentina.

Source: State Secretariat of Agroindustry; "Márgenes Agropecuarios" magazine (www.margenes.com), based on historical data from CATAC (Argentine Confederation of Truck Transport).

### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: net exported (NE).

Source: State Secretariat of Agroindustry; INDEC, National Institute of Statistics and Censuses, UN Comtrade database.

### V. Market price differential at the farm gate

Due to border price-related policies in place, the MPD calculated is based on the price gap for the period 1997-2019: difference between the Producer price (at farm gate) and the Reference price (at farm gate). In 2016-17 the MPD was set to zero as no domestic nor trade price-related policies have been identified for this period.

# VI. Reference prices at the farm gate (including the definition of the margin)

F.o.b. export unit values of Maize (excl. seed) (HS 1005 9010) from 1997 to 2019.

Reference prices are F.o.b. prices minus marketing margins, domestic transportation costs and port and trading costs.

*Marketing margins:* include processing, handling and storage costs. The source for this information is the State Secretariat of Agroindustry and the publication "Márgenes Agropecuarios".

**Domestic transportation costs** between the farm gate and the Argentinian border: For maize, transportation costs, by truck, were calculated for two legs for each of the seven top producing regions. First, the distance from the farm to the primary storage facility (short distance freight by inland roads, an estimated 30 km for

maize, on average). Second, the distance from the storage facility to the port or further processing point (an estimated 228 km for maize, on average). To obtain the weighted average distance between farm gate and border by commodity, the average distance of each province was weighted using its annual production for the 20 years analysed (1997-2017). Then to obtain the overall transportation cost per tonne, the average distance calculated above is multiplied by an average cost per kilometre. The absolute value of the domestic transportation cost was subtracted from the FOB price for maize.

**Port and trading costs at the Argentinian ports:** Refers to the average port handling costs for various commodities at their ports of entry/exit. Port expenses (provided in USD per tonne and converted to ARS per tonne) are provided by Bolsa de Rosario for the period 2007-19; data prior to 2007 have been estimated using the annual average growth rate between 2007 and 2009. Trading expenses (ie brokers' commissions, inspection fees, bank expenses and fees) have been estimated as a percentage of border reference prices (3 %) then converted into absolute values. The sum of port and trading costs were subtracted from the FOB price for maize.

Source: State Secretariat of Agroindustry; <a href="https://datos.agroindustria.gob.ar/dataset/estimaciones-agricolas">https://datos.agroindustria.gob.ar/dataset/estimaciones-agricolas</a>; "Márgenes Agropecuarios" magazine, www.margenes.com.

### VII. Level of consumption (at farm gate)

Consumption equals total domestic use of maize during the calendar year, i.e., total production plus imports minus exports.

Source: State Secretariat of Agroindustry;

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

# IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

#### 3. SOYBEANS

#### I. Level of production

Total domestic production.

Source: State Secretariat of Agroindustry.

# II. Producer prices (at farm gate)

In Argentina, producer prices for grains are not directly available at the farm gate level, therefore prices were derived from the Stock Exchange of the Bolsa de Comercio de Rosario (one of the world's oldest grain cash-commodity exchange) and /or the Bahia Blanca Exchange and adjusted by transportation costs, processing, handling and storage margins. This allowed to obtain producer prices that are as close as possible to the farm gate level, in line with the 'like with like' comparison principle required by the PSE calculation.

The nationally representative producer price for soybean was obtained as an annual average of the current daily prices published by the Stock Exchange's Price of the Bolsa de Comercio de Rosario adjusted by commercial costs. The commercial costs deducted cover the expenses incurred by farmers during marketing (namely: handling costs, processing costs, storage margins) and transportation costs. Rosario area is a major area of commercial production of soybean in Argentina.

Source: State Secretariat of Agroindustry; "Márgenes Agropecuarios" magazine (www.margenes.com), based on historical data from CATAC (Argentine Confederation of Truck Transport).

### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: net exported (NE).

Source: State Secretariat of Agroindustry; INDEC, National Institute of Statistics and Censuses, UN Comtrade database.

# V. Market price differential at the farm gate

Due to border price-related policies in place, the MPD calculated is based on the price gap for the period 2002-2019: difference between the Producer price (at farm gate) and the Reference price (at farm gate). Before 2002 the MPD is derived directly from the export tax as the market price differential calculated for this period provided a slightly positive gap which was not consistent with the trade policy in place (export tax).

# VI. Reference prices at the farm gate (including the definition of the margin)

1997-2001: The reference price is implicit and calculated by subtracting the market price differential (derived from the export tax) from the producer price.

2002-2019: F.o.b. export unit values of soybean (HS 120100). Reference prices (2002-2019) are F.o.b. prices minus marketing margins, domestic transportation costs and port and trading costs.

*Marketing margins:* include processing, handling and storage costs. The source for this information is the State Secretariat of Agroindustry and the publication "Márgenes Agropecuarios".

**Domestic transportation costs** between the farm gate and the Argentinian border: For soybean, transportation costs, by truck, were calculated for two legs for each of the 7 top producing regions. First, the distance from the farm to the primary storage facility (short distance freight by inland roads, an estimated 30 km for soybean, on average). Second, the distance from the storage facility to the port or further processing point (an estimated 218 km for soybean, on average). To obtain the weighted average distance between farm gate and border by commodity, the average distance of each province was weighted using its annual production for the 20 years analysed (1997-2017). Then to obtain the overall transportation cost per tonne, the average distance calculated above is multiplied by an average cost per kilometre.

The absolute value of the domestic transportation cost was subtracted from the FOB price for soybean.

**Port and trading costs at the Argentinian ports:** Refers to the average port handling costs for various commodities at their ports of entry/exit. Port expenses (provided in USD per tonne and converted to ARS per tonne) are provided by Bolsa de Rosario for the period 2007-19; data prior to 2007 have been estimated using the annual average growth rate between 2007 and 2009. Trading expenses (ie brokers' commissions, inspection fees, bank expenses and fees) have been estimated as a percentage of border reference prices (3 %) then converted into absolute values. The sum of port and trading costs were subtracted from the FOB price for soybean.

Source: State Secretariat of Agroindustry; <a href="https://datos.agroindustria.gob.ar/dataset/estimaciones-agricolas">https://datos.agroindustria.gob.ar/dataset/estimaciones-agricolas</a>. "Márgenes Agropecuarios" magazine, www.margenes.com.

### VII. Level of consumption (at farm gate)

Consumption equals total domestic use of soybean during the calendar year, i.e., total production plus imports minus exports (including flours in tonne grain equivalent - on average 90% of soybeans production is exported as flour and oil).

Source: State Secretariat of Agroindustry.

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

### IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

#### 4. SUNFLOWER

#### I. Level of production

Total domestic production.

Source: State Secretariat of Agroindustry.

### II. Producer prices (at farm gate)

In Argentina, producer prices for grains are not directly available at the farm gate level, therefore prices were derived from the Stock Exchange of the Bolsa de Comercio de Rosario (one of the world's oldest grain cash-commodity exchange) and /or the Bahia Blanca Exchange and adjusted by transportation costs, processing, handling and storage margins. This allowed to obtain producer prices that are as close as possible to the farm gate level, in line with the 'like with like' comparison principle required by the PSE calculation.

The nationally representative producer price for sunflower was obtained as an annual average of the current daily prices published by the Stock Exchange's Price of the Bolsa de Comercio de Rosario adjusted by commercial costs. The commercial costs deducted cover the expenses incurred by farmers during marketing (namely: handling costs, processing costs, storage margins) and transportation costs. Rosario area is a major area of commercial production of sunflower in Argentina.

Source: State Secretariat of Agroindustry; "Márgenes Agropecuarios" magazine (www.margenes.com), based on historical data from CATAC (Argentine Confederation of Truck Transport).

### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: net exported (NE).

Source: State Secretariat of Agroindustry; INDEC, National Institute of Statistics and Censuses, UN Comtrade database.

# V. Market price differential at the farm gate

Due to border price-related policies in place, the MPD is derived from the export tax (by multiplying the export tax rate by the producer price) for the period 1997-2019. The export tax was removed in 2015-16 implying a MPD equal to zero for these two years.

### VI. Reference prices at the farm gate (including the definition of the margin)

1997-2019: The reference price is implicit and calculated by subtracting the market price differential (derived from the export tax) from the producer price.

Source: State Secretariat of Agroindustry.

### VII. Level of consumption (at farm gate)

Consumption equals total domestic use of soybean during the calendar year, i.e., total production plus imports minus exports (including flours in tonne grain equivalent).

Source: State Secretariat of Agroindustry.

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

#### IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

### 5. FRUIT AND VEGETABLES

# I. Level of production

The level of production is not available, the value of production for the group of "fruit and vegetables" has been estimated for the whole period 1997-2019 (III).

Source: not applicable.

### II. Producer prices (at farm gate)

Producer prices for fruit and vegetables are not available, the value of production for the group of "fruit and vegetables" has been estimated for the whole period (III).

Source: not applicable.

#### III. Value of production (at farm gate) [(I)\*(II)]

The value of production for the group of "fruit and vegetables" has been estimated as neither prices nor quantities produced were available. This was done with the following methodology that takes into account the data constraints encountered.

On the one hand, the Argentinian statistical system does not provide the value of production at the farm gate level. It does however provide detailed statistics for the period 1997-2019 on the value of production at the wholesale level, for the sector as a whole (INDEC data differentiating between total crops and total livestock) as well as for individual commodities, including for the group of fruit and the group of vegetables.

On the other hand, data collected for this PSE exercise allowed calculating the value of production by individual commodity at the farm gate level for wheat, maize, soybean and sunflower (by multiplying producer price by production).

Therefore, in order to obtain the value of production for the whole sector at the farm gate level, the ratio between the value of production for the group of wheat, maize, soybean and sunflower provided at the farm gate level and the value of production of this same group provided at the wholesale level was calculated. This ratio was then applied to the group of total crops provided by INDEC at the wholesale level in order to estimate the value of production of total crops at the farm gate level.

[The same methodology was used for livestock commodities, applying the ratio of the group of beef, poultry, pigmeat and eggs at the farm gate/wholesale level to the group of total livestock (provided at the wholesale level by INDEC), in order to obtain an estimation of the value of production of this group at the farm gate level. The value of production for total crops and total livestock at the farm gate level was then summed up in order to obtain the value of production of the total agricultural sector, as required by the PSE methodology. This allows being consistent between the individual value of production obtained in the MPS worksheet by commodity and the aggregate value of agricultural output]

In order to obtain the value of production of the group of fruit and vegetables at the farm gate level, the same methodology was followed, i.e. by applying the wholesale/farm gate ratio of the total crops group to the value of production of the fruit and vegetables provided by INDEC at the wholesale level.

Source: State Secretariat of Agroindustry, National Institute of Statistics and Censuses (INDEC).

### IV. Trade status

Not applicable.

### V. Market price differential at the farm gate

The price gap for this group has been set at zero for the whole period 1997-2019. The large majority of the fruit and vegetables in this group are exportable and no support or tax policies have been identified.

### VI. Reference prices at the farm gate (including the definition of the margin)

Not applicable, the price gap has been set to zero for the whole period 1997-2019.

Sources: not applicable.

### VII. Level of consumption (at farm gate)

Level of consumption not available, the value of consumption for the group of "exported fruit and vegetables" has been estimated for the whole period 1997-2019 (IX).

Source: not applicable.

#### VIII. Consumption prices (at farm gate)

Consumption prices not available, the value of consumption for the group of "exported fruit and vegetables" has been estimated for the whole period 1997-2019 (IX).

Source: not applicable.

### IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Based on discussions with Argentinian experts, the value of consumption of the fruit and vegetable group has been estimated at 95% of the value of production for the whole period 1997-2019.

Source: State Secretariat of Agroindustry. Interviews with experts.

#### 6. MILK

### I. Level of production

Total domestic production of liquid milk.

Source: State Secretariat of Agroindustry.

### II. Producer prices (at farm gate)

The farm gate price is the nationally representative weighted average sale price received by farmers.

Source: State Secretariat of Agroindustry.

### III. Value of production (at farm gate) [(I)\*(II)]

### IV. Trade status

For the period 1997-2019: net exported (NE).

Source: State Secretariat of Agroindustry based on INDEC, National Institute of Statistics and Censuses, UN Comtrade database.

# V. Market price differential at the farm gate

Due to border price-related policies in place, mainly export taxes and export permits, MPD calculated based on the price gap for the period 1997-2019: difference between the Producer price (at farm gate) and the Reference price (at farm gate). In 2008 export taxes were eliminated, however there were applied quantitative restrictions: export permits were required to export milk, acting as "de facto" export quotas and reducing domestic prices. In 2016-17, the MPD was set to zero as no domestic nor trade price-related policies have been identified for this period.

#### VI. Reference prices at the farm gate (including the definition of the margin)

The border price of milk is a calculated implicit value. The calculation method is based on two assumptions. First, world markets for tradable dairy commodities are competitive, which allows the formation of a single price for each of the solid components of raw milk, milk fat and protein, used to make dairy products. Secondly,

each type of dairy product contains a unique and fixed amount of each of those solid components of milk. Under this method, the implicit price of milk at the border  $(P_b)$  is calculated from the prices of those components:

$$P_b = \left(\frac{a}{b}\right)P_{wb} + \left(\frac{c}{d}\right)P_{ws}$$
 where:

a and b are milk fat contained in one ton of raw milk and butter respectively, c and d are non-fat-solids contained in one ton of milk and skimmed milk powder respectively,  $P_{wb}$  and  $P_{ws}$  are Argentinian export unit values of butter and skimmed milk powder respectively. The reference price of milk at farm gate  $(P_r)$  is the implicit milk border price net of processing costs (C):

$$P_r = P_b - C$$

Margins: Average dairy processing margin (processing margin of butter & SMP from one tonne of raw milk) in major dairy exporters: Australia, European Union, United States and New Zealand.

Sources: OECD (2019), "Producer and Consumer Estimates", OECD Agriculture Statistics Database; UN Comtrade database.

#### VII. Level of consumption (at farm gate)

Total domestic consumption of liquid milk during the calendar year.

Source: State Secretariat of Agroindustry.

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

#### IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

#### 7. BEEF AND VEAL

### I. Level of production

Total production of beef and veal, all categories of bovine animals, in carcass weight equivalent.

Source: State Secretariat of Agroindustry based on Subsecretaria de Control Comercial Agropecuario (SUCCA).

#### II. Producer prices (at farm gate)

Nationally representative weighted average farm gate price of all categories of bovine animals for slaughter, live weight, converted into carcass weight equivalent.

Source: State Secretariat of Agroindustry, based on Liniers SA market.

#### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: net exported (NE).

Source: UN Comtrade database.

### V. Market price differential at the farm gate

Due to domestic and border price-related policies in place, MPD calculated based on the price gap for the period 2002-2015: difference between the Producer price (at farm gate) and the Reference price (at farm gate). Before 2002 and in 2016-17, the MPD was set to zero as no domestic nor trade price-related policies have been identified for this period.

### VI. Reference prices at the farm gate (including the definition of the margin)

F.o.b. export unit values of fresh, chilled or frozen boneless bovine meat (HS0201 30 + HS0202 30).

Reference prices are F.o.b. prices net of marketing margins, domestic transportation costs and port and trading costs.

Margins: Marketing margin (including processing costs) as % of border price: 37% over the period 1997-2019. Transportation costs (Farm gate - Wholesale) as % of border price: 2%. Transportation costs (Border – Wholesale) as % of border price: 4%.No quality adjustments.

Sources: Inter-American Development Bank calculations based on Bolsa de Comercio de Rosario (Rosario Board of Trade) database.

#### VII. Level of consumption (at farm gate)

Total domestic use during the calendar year, in carcass weight equivalent [total production plus imports minus exports].

Source: State Secretariat of Agroindustry.

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

### IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

#### 8. PIG MEAT

### I. Level of production

Total production of pig meat, in carcass weight equivalent.

Source: State Secretariat of Agroindustry based on Subsecretaria de Control Comercial Agropecuario (SUCCA).

# II. Producer prices (at farm gate)

Nationally representative weighted average farm gate price of pig meat for slaughter, live weight, converted into carcass weight equivalent.

Source: State Secretariat of Agroindustry based on Subsecretaria de Control Comercial Agropecuario (SUCCA).

### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: net imported (NI).

Source: UN Comtrade database.

# V. Market price differential at the farm gate

The MPD is estimated using Argentina's simple average import MFN tariff on pig meat, both fresh and frozen (HS 0203).

As the type of pigmeat imports (mainly frozen offal) are very different from the type of pigmeat produced in the country (mainly fresh meat) the unit value of imports was not applicable and other relevant border price policies could not be identified. The MPD was estimated using tariffs, as they represent the main policy applied for the period 1997-2019.

#### VI. Reference prices at the farm gate (including the definition of the margin)

As the market price differential is estimated using Argentina's simple average import MFN tariff on pig meat (fresh and frozen - HS 0203), the reference price is implicit and calculated by subtracting the market price differential from the producer price.

Sources: TRAINS database

# VII. Level of consumption (at farm gate)

Total domestic use during the calendar year, in carcass weight equivalent [total production plus imports minus exports].

Source: State Secretariat of Agroindustry based on Subsecretaria de Control Comercial Agropecuario (SUCCA).

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

#### IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

#### 9. POULTRY

### I. Level of production

Total production of poultry, in carcass weight equivalent.

Source: State Secretariat of Agroindustry.

### II. Producer prices (at farm gate)

Nationally representative weighted average farm gate price of poultry, live weight, converted into carcass equivalent.

Source: State Secretariat of Agroindustry.

#### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2001: net imported (NI). For the period 2002-19: net exported (NE).

Source: UN Comtrade database.

### V. Market price differential at the farm gate

Due to domestic and border price-related policies in place, MPD calculated based on the price gap for the period 2002-2019: difference between the Producer price (at farm gate) and the Reference price (at farm gate). Before 2002 and in 2016-17, the MPD was set to zero as no domestic nor trade price-related policies have been identified for this period.

#### VI. Reference prices at the farm gate (including the definition of the margin)

US producer prices for poultry, carcass weight equivalent (obtained by dividing the value of total poultry production by the annual total poultry production).

Sources OECD (2019), "Producer and Consumer Estimates", OECD Agriculture Statistics Database.

# VII. Level of consumption (at farm gate)

Total domestic use during the calendar year, in carcass weight equivalent [total production plus imports minus exports].

Source: State Secretariat of Agroindustry, INDEC.

#### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

# IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.

### **10. EGGS**

### I. Level of production

Total production of eggs, tonne equivalent.

Source: State Secretariat of Agroindustry based on CAPIA (Cámara Argentina de Productores Avícolas).

# II. Producer prices (at farm gate)

Average sale price received by farmers in ARS per tonne, converted from dozen (current unit used in Argentina) to tonne using the average weight of 0.756 kilograms per dozen.

Source: State Secretariat of Agroindustry based on CAPIA (Argentine Chamber of Poultry Producers).

### III. Value of production (at farm gate) [(I)\*(II)]

#### IV. Trade status

For the period 1997-2019: marginally traded

Source: UN Comtrade database.

### V. Market price differential at the farm gate

As tariffs represent the main policy applied for the period 1997-2019, the MPD is estimated using Argentina's simple average import MFN tariff on Birds' eggs, in shell, fresh, preserved or cooked. (HS 0407).

# VI. Reference prices at the farm gate (including the definition of the margin)

As the market price differential is estimated using Argentina's simple average import MFN tariff on eggs (HS0407), the reference price is implicit and calculated by subtracting the market price differential from the producer price.

Sources: TRAINS database

### VII. Level of consumption (at farm gate)

Total domestic use during the calendar year [total production plus imports minus exports].

Source: State Secretariat of Agroindustry based on CAPIA (Argentine Chamber of Poultry Producers).

### VIII. Consumption prices (at farm gate)

Implicit prices corresponding to reference prices plus the unit value of market transfers.

Source: not applicable.

# IX. Value of consumption (at farm gate) [(VII)\*(VIII)]

Level of consumption (VII) multiplied by consumption prices (VIII).

Source: State Secretariat of Agroindustry.