

## Commentary

Estimated economic result of Czech agriculture for 2020 achieved a profit of CZK 17.7 billion. Compared to the previous year it increased by 2.8%. The level of entrepreneurial income in 2020 had reached the fourth highest value since 2011.

According to preliminary results of 2020, the output of the agricultural industry at basic current prices reached CZK 146 976.6 million, of which crop output accounted for CZK 85 310.4 million, animal output for CZK 52 585.4 million, agricultural services output for CZK 4 389.1 million and inseparable non-agricultural secondary activities for CZK 4 691.8 million.

The crop output value went up by 6.8% year-on-year. There was an increase in harvest for cereals, with the highest for oats (+36.4%) and grain maize (+33.1%). The harvest was also higher for wine (+33.0%), protein crops (+23.9%), potatoes (+11.8%), vegetables (+11.4%), rape (+7.6%) and fodder maize (+7.1%). The harvest of hops (-17.1%) and sugar beet (-7.0%) was lower.

Compared to the previous year, there was a decrease in the prices of barley (-6.8%), rye (-5.3%), oats (-4.0%) and grain maize (-1.8%). On the contrary, prices of wheat (+3.1%), hops (+28.8%), sunflower (+24.1%), sugar beet (+10.3%), protein crops (+8.6%) and rape (+4.4%) increased.

Compared to 2019, the animal output fell by 0.4%. Animals showed lower year-on-year output index (-3.1%). Cattle output decreased by 4.2%, poultry by 4.1%, sheep and goats by 2.0% and pigs by 1.4%. On the contrary, the output of animal products increased by 1.5% in 2020. Output of eggs (+3.8%) and milk (+1.4%) increased. Cattle production decreased by 1.7% and price went down by 2.9%. Poultry production went slightly down (-1.4%) and the price decreased (-2.7%).

The share of crop output prevailed (58.0%) over animal output (35.8%) in the agricultural industry output at basic current prices in 2020. Agricultural work carried out by contractors, i.e. the agricultural services output accounted for 3.0% and inseparable non-agricultural secondary activities, covering also a renewable energy production, for 3.2%.

Cereals (38.8%), industrial crops (23.5%) and forage plants (19.8%) shared the largest proportions in the crop output, whereas milk (52.4%), pigs (16.7%) and cattle (12.8%) dominated in the animal output.

The production value includes subsidies for hops, potatoes, cattle, sheep and goats and milk. The total volume of subsidies on products increased by 18.6% year-on-year, with the most significant rise recorded for milk subsidies (+34.9%) and subsidies for sheep and goats (+1.7%).

The intermediate consumption increased by 1.6% y-o-y. Its share in the agricultural sector production (excluding subsidies on products) was 67.4%. Intermediate consumption comprised mainly of feed (36.6%) and of energy and lubricant consumption (14.8%). Gross value added amounted to CZK 49.4 billion, which represents a year-on-year increase of 9.5%.

At constant prices of 2000, the agricultural output reached CZK 112 627.6 million CZK in 2020; it increased by 4.0% in comparison with 2019. The value of crop output went up by 6.0% to CZK 59 322.6 million, y-o-y. The value of animal output increased by 1.7% to CZK 47 747.6 million, y-o-y. The output value at constant prices is directly influenced by the volume of production.

The estimated volume of other production subsidies paid in 2020 amounted to CZK 32 785.0 million, i.e. a year-on-year decrease of 5.5%. In this volume the Single Area Payment (SAPS) accounted for CZK 11 658.0 million and the Greening Grant CZK 6 562.7 million.

Compared to 2019, the compensation of employees increased (+4.8%), while the estimated number of full-time equivalent workers remained unchanged, y-o-y.