

**Name:**

Production costs per hectare

**Definition:**

The costs of production include the labor costs plus the costs of the used inputs.

**Calculation method:**

The value of this indicator shall be calculated as explained below:

$$\text{Indicator} = \frac{\sum_i CV_i \times A_i}{A_t}$$

Where:

VC<sub>i</sub>: Variable crop costs (€/ha). The costs depend on operations on the plot and following means:

- Fuel consumption
- Cost of seed
- Cost of fertilizers and phytosanitary products
- Labor costs
- Equipment operating costs

A<sub>i</sub>: Area assigned to the crop / plot (ha)

A<sub>T</sub>: Total area considered (ha).

**Interpretation:**

The cost per hectare depends on the chosen crops and the management of the farm (mainly soil management and fertilization strategies). Besides other factors like the climatology, the costs can also be affected by increase of pests, water stress, etc.

**Information source:**

*Data obtained through a survey to farmers*

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Fuel consumption. See the Indicator 1

Cost of seed. Data obtained through a survey to farmers

Cost of fertilizers and plant protection products. Data obtained through a survey to farmers

Labor costs and equipment operating costs. Data obtained through a survey to farmers

$A_i$ : Area assigned to the crop/plot. Data obtained through a survey to farmers

$A_T$ : Total area considered (ha). Data obtained through a survey to farmers.