



## GUIDANCE DOCUMENT FOR THE FISH PROCESSING

### **Living document**

Adapted from:

Ad hoc contract Commitment No. SI2 725 694

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Updated by:

PGECON 2017

PGECON 2018

PGECON 2019

PGECON 2020

VARIABLE GROUP	Variable	Definition	PGECON advice	Methodology
INCOME	Turnover	<p>Turnover comprises the totals invoiced by the observation unit during the reference period, and this corresponds to market sales of goods or services supplied to third parties.</p> <p>Turnover includes all duties and taxes on the goods or services invoiced by the unit with the exception of the VAT invoiced by the unit vis-à-vis its customer and other similar deductible taxes directly linked to turnover.</p> <p>It also includes all other charges (transport, packaging, etc.) passed on to the customer, even if these charges are listed separately in the invoice. Reduction in prices, rebates and discounts as well as the value of returned packing must be deducted.</p> <p>For the segments with “main” fish processing activities, “Turnover” variable, should include only Turnover related to the principal fish processing activity. = DCF Turnover</p>	<p>Two surveys have to be used for different parts of population  <b>Not clear if this is the procedure for all MS (i.e., to use SBS data +complementary survey)</b></p>	<p>For the segments with “main” fish processing activities, “Turnover” variable, should include only Turnover related to the principal fish processing activity.</p> <p>For the part of population covered by SBS</p> <ol style="list-style-type: none"> <li>1. <b>directly obtained from SBS survey.</b></li> </ol> <p>For the part of population not covered by SBS</p> <ol style="list-style-type: none"> <li>2. <b>directly obtained from DCF survey;</b></li> <li>3. <b>obtained directly from administrative sources</b></li> </ol>

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	Other income	<p>Other operating income included in company accounts, which are excluded from turnover; income coming from other activities than fish processing. Other income, not shown under other headings. Exclude extraordinary and financial incomes.</p> <p>Under "Other income" all the other revenues from other activities apart from fish processing should be provided.</p> <p>= DCF Other income</p>	Two surveys have to be used for different parts of population	<p>Under "Other income" all the other revenues from other activities apart from fish processing should be provided.</p> <p>For the part of population covered by SBS</p> <ol style="list-style-type: none"> <li><b>1. derived from other SBS variables.</b> Turnover in SBS includes turnover from principal activity, other incomes and subsidies. Therefore, other income should be calculated as following:    <math display="block">\text{Other income} = \text{Turnover} - \text{turnover from principal activity} - \text{subsidies.}</math>    Other income also includes financial income, which is a separate variable in DCF. Therefore, a method for disseminating other income from financial income should be defined. </li> <li><b>2. Directly obtained from additional DCF survey.</b></li> </ol> <p>For the part of population not covered by SBS</p> <ol style="list-style-type: none"> <li><b>3. directly obtained from DCF survey</b></li> </ol>
<b>Personnel Costs</b> <b>LABOUR COSTS</b>	Personnel costs	Total remuneration, in cash or in kind, payable by an employer to an employee (regular and temporary employees as well as home-workers) in return for work done by the latter during the	Two surveys have to be used for different parts of population.	<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li><b>1. directly obtained from SBS survey.</b></li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>2. directly obtained from DCF survey</b></li> </ol> <p>Derived from other surveyed variables (e.g. costs structure).</p>

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		reference period. Personnel costs also include taxes and employees' social security contributions retained by the unit as well as the employer's compulsory and voluntary social contributions. = DCF Wages and salaries		
	Value of unpaid labor	= DCF Imputed value of unpaid labour	Still there is a broad range of options to determine the average wage. If the number of unpaid labour is collected, then the imputed wage per FTE would be sufficient to calculate the value of unpaid labour	For the part of population covered by SBS the unpaid labour costs are equal to 0 as it is legally binding to employ all persons working in the bigger enterprises.  For the part of the population not covered by SBS: <b>1. derived from other surveyed variables.</b> FTE method (WS, Naples, 2009), includes the following steps: <ul style="list-style-type: none"> <li>• estimation of paid and unpaid FTE;</li> <li>• definition of an average remuneration per paid FTE (e.g. average wage by company, national average wage, minimum national wage, etc...);</li> <li>• calculation of imputed value of unpaid labour =: unpaid FTE * (average remuneration per paid FTE).</li> <li>• Other methods based on number of enterprises?</li> </ul>
	Payment for external agency workers (optional)	Included are payments to temporary employment agencies and similar organisations supplying workers to clients' businesses		For the part of population covered by SBS <b>directly obtained from SBS survey</b> (optional). For the part of population not covered by SBS: <b>1. directly obtained from DCF survey,</b> <b>2. derived from other surveyed variables.</b>

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		<p>for limited periods of time to supplement or temporarily replace the working force of the client, where the individuals provided are employees of the temporary help service unit. However, these agencies and organisations do not provide direct supervision of their employees at the clients' work sites. Only the payments for the provision of personnel which is not linked to the provision of a particular industrial or other non-industrial service is included.</p>		
<p><b>Energy costs</b></p>	<p>Energy costs</p>	<p>Purchases of all energy products during the reference period should be included in this variable only if they are purchased to be used as fuel. Energy products purchased as a raw material or for resale without transformation should be excluded. This figure should be given in value only.</p>		<p>For the part of population covered by SBS, <b>directly obtained from SBS survey</b> (optional).  For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>1. directly obtained from DCF survey,</b></li> <li><b>2. derived from other surveyed variables.</b></li> </ol>

<p><b>Raw material costs</b></p>	<p>Purchase of fish and other raw material for production</p>	<p>Total purchases of fish and other raw material for production.</p> <p>Purchases of fish and other raw material for production include the value of fish and other raw material for production purchased during the accounting period for resale or consumption in the production process, excluding capital goods the consumption of which is registered as consumption of fixed capital. The fish and other raw material concerned may be either resold with or without further transformation, completely used up in the production process or, finally, be stocked.</p>	<p>SBS data should be preferred, but in case dissemination methods are not possible, data from surveys should be used for all processing enterprises.</p> <p>Should be re-named "other operating costs"</p> <ul style="list-style-type: none"> <li>• Eurostat data do not cover the raw material used by the fish processing companies, which is a key to understand the linkages with the wild-capture fisheries, aquaculture and external trade.</li> </ul>	<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li><b>1. directly obtained from SBS survey.</b> However, these costs in SBS are combined under "Total purchases of goods and services", including financial and extraordinary costs. Therefore, a dissemination method should be applied for calculating raw material and other operating costs: (Raw material + Other operational costs) = Total purchases of goods and services – Financial costs – extraordinary costs; Because all of these Variables are also included in DCF, dissemination is very problematic.</li> <li><b>2. directly obtained from additional DCF survey</b></li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>3. directly obtained from DCF survey,</b></li> <li><b>4. derived from other surveyed variables.</b></li> </ol> <p>Total purchases of goods and services minus Purchase of fish and other raw material for production.</p> <p>Purchases of goods and services include the value of all goods and services purchased during the accounting period for resale or consumption in the production process, excluding capital goods the consumption of which is registered as consumption of fixed capital. The goods and services concerned may be either resold with or without further transformation, completely used up in the production process or, finally, be stocked.</p>
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<b>Other operating operational costs</b>	Other operational costs	<p>Total purchases of goods and services minus Purchase of fish and other raw material for production. Purchases of goods and services include the value of all goods and services purchased during the accounting period for resale or consumption in the production process, excluding capital goods the consumption of which is registered as consumption of fixed capital. The goods and services concerned may be either resold with or without further transformation, completely used up in the production process or, finally, be stocked.</p>		
<b>Subsidies</b>	Operating subsidies	<p>Direct payments which general government or the institutions of the European Union make to resident producers. Excluding investment subsidies.</p>	<p>Subsidies could be derived from SBS by disseminating Turnover, however because of a complex structure of SBS turnover, data from national and regional administrations for the whole processing sector, should be used, in preference to direct survey. This in turn will help to derive turnover and other income more precisely.</p>	<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li><b>1. directly obtained from SBS survey.</b> However, data is aggregated under Turnover, complete with turnover from principal activities, other income, and financial income. Therefore, it should be disseminated.</li> <li><b>2. directly obtained from additional DCF survey ;</b></li> <li><b>3. obtained directly from administrative sources</b></li> </ol>

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				<p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li>4. <b>directly obtained from DCF survey,</b></li> <li>5. <b>derived from other surveyed variables.</b></li> <li>6. <b>obtained directly from administrative sources</b></li> </ol> <p>Direct payments which general government or the institutions of the European Union make to resident producers to finance all or part of the costs of their acquiring assets.</p>
	Subsidies on investments <b>New</b>	Direct payments which general government or the institutions of the European Union make to resident producers to finance all or part of the costs of their acquiring assets.		
<b>Capital costs</b>	Consumption of fixed capital	Decline in value of fixed assets, as a result of normal wear and tear and obsolescence. The estimate of decline in value includes a provision for losses of fixed assets as a result of accidental damage which can be insured against. =DCF Depreciation of capital	<b>NOT COVERED BY EUROSTAT</b>	<p>There is no data on capital costs or capital value in SBS.</p> <p>For all processing enterprises capital cost and capital value could be obtained:</p> <ol style="list-style-type: none"> <li>1. <b>directly obtained from DCF survey;</b></li> <li>2. <b>derived from other surveyed variables or from PIM calculations.</b></li> <li>3. <b>By calculating capital value and capital costs by PIM.</b></li> </ol>
<b>Capital value FINANCIAL POSITION</b>	Total value of assets	An economic asset is a store of value representing the benefits accruing to the economic owner by holding or using the entity over a period of time. It is a means of carrying forward value from	<b>NOT COVERED BY EUROSTAT</b>	



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		one accounting period to another.		
	Debt	Amount of money borrowed to be used to finance activities of the processing enterprise.	No data coverage in SBS	For all processing sector enterprises Debt could be: <b>1. directly obtained from additional DCF survey.</b> <b>derived from other surveyed variables.</b>
Financial results	Financial income	Income from investments and loans forming part of the fixed assets, and other interest receivable.  Financial costs, net = Financial expenditures – Financial income	Two surveys have to be used for different parts of population.	For the part of population covered by SBS: <b>1. directly obtained from SBS survey.</b> however financial income is combined under Turnover. Therefore to get data on financial income, a method of dissemination should be used: Turnover – Turnover from main activity – subsidies – other income. However, dividing financial and other income could be a problem. <b>2. directly obtained from additional DCF survey ;</b> <b>3. derived from other surveyed variables.</b>
	Financial expenditures	Interest payable and similar charges.		For the part of population not covered by SBS: <b>4. directly obtained from DCF survey,</b> <b>5. derived from other surveyed variables.</b>
				For the part of population covered by SBS: <b>1. directly obtained from SBS survey.</b> However financial expenditures in SBS is under Total purchases of goods and services, which also includes raw material,

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		Financial costs, net = Financial expenditures – Financial income		<p>other operational costs and extraordinary costs, therefore a method for discriminating financial expenditures should be devised;</p> <ol style="list-style-type: none"> <li><b>2. directly obtained from additional DCF survey</b></li> <li><b>3. derived from other surveyed variables.</b></li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>4. directly obtained from DCF survey,</b></li> <li><b>5. derived from other surveyed variables.</b></li> </ol>
<b>Investments</b>	<b>Net Gross Investments</b>	Gross investment in tangible and intangible goods minus sales of tangible and intangible investment goods.	<p>Two surveys have to be used for different parts of population.</p> <p>Tangible goods defined in SBS 15 11 0 and intangible goods defined in SBS 15 42 0 and SBS 15 44 1, tangible investment goods defined in 15 210.</p> <p><b>Rename to Gross investments = Purchases minus sales</b></p> <p><b>Net should be removed from the variable name to avoid confusion with financial accounting net investments, which refers to investments minus depreciation.</b></p>	<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li><b>1. directly obtained from SBS survey.</b> By subtracting sales of tangible investments goods from Gross investments in tangible goods</li> <li><b>2. directly obtained from additional DCF survey.</b></li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>3. directly obtained from DCF survey, derived from other surveyed variables.</b></li> </ol>
<b>Debt</b>	Debt	Amount of money borrowed to be used to finance activities of the processing enterprise.	No data coverage in SBS	<p>For all processing sector enterprises Debt could be:</p> <ol style="list-style-type: none"> <li><del>2. directly obtained from additional DCF survey.</del></li> <li><del>3. derived from other surveyed variables.</del></li> </ol>

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Employment	Number of persons employed	Total number of persons who have worked in the enterprise, irrespective of the total number of hours.	Does it include unpaid labour?	<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li><b>directly obtained from SBS survey.</b> However, SBS are not discriminated according to the gender.</li> <li><b>directly obtained from DCF survey,</b></li> <li><b>obtained directly from administrative sources</b></li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>directly obtained from DCF survey,</b></li> <li><b>derived from other surveyed variables.</b></li> </ol>
	Unpaid labour	Number of persons who have worked for the enterprise that have not received compensation in the form of wages, salaries, fees, gratuities, piecework pay or remuneration in kind.		<p>For all processing sector enterprises unpaid labour could be:</p> <ol style="list-style-type: none"> <li><b>directly obtained from DCF survey,</b></li> <li><b>derived from other surveyed variables.</b></li> </ol>

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	FTE National	The number of employees converted into full time equivalent jobs (FTE).		<p>For the part of population covered by SBS:  <b>1. directly obtained from SBS survey.</b>  <b>FTE far all processing sector:</b> FTE definition: unit expressing the total number of employees into the equivalent number of full-time workers (usually defined in the national law).  Appendix VI of the current regulation refers, in note 17 and 18 to the study "Calculation of labour including full-time equivalent (FTE) in fisheries"(FISH/2005/14, 'LEI WAGENINGENUR Coordinator, 2006), financed by EU in order to harmonise the definition and the estimation of employment variables under the data collection system.  General approach on the definition of FTE, in particular on the definition of the yearly threshold (time-based approach), has been largely applied under the DCF. According to the study, a person working more than the threshold (holding one or more jobs) is still counted as one FTE only. A person working less than the threshold represents a certain percentage of a FTE.  FTE national should be calculated using a threshold defined according to the features of the processing sector in each MSs.  If the annual working hours per person exceed the reference level, the FTE equals 1 per crew member.</p> <ul style="list-style-type: none"> <li>• if annual working hours &gt; national threshold  FTE national =1</li> </ul> <p>If not, the FTE equals the ratio between the hours worked and the reference level.</p>

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				<ul style="list-style-type: none"> <li>if annual working hours &lt; national threshold  <math display="block">\text{FTE national} = \frac{\text{annual working hours}}{\text{national threshold}}</math> </li> </ul>
	Number of hours worked by employees and unpaid workers	The aggregate number of hours worked during the reference period.		<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li><b>directly obtained from SBS survey.</b> However, SBS houses data of employed work force only, and it does not include unpaid labor. Therefore, additional estimation of number of hours worked by unpaid workers should be calculated.</li> <li><b>directly obtained from DCF survey,</b></li> <li><b>derived from other surveyed variables.</b></li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li><b>directly obtained from DCF survey,</b></li> <li><b>derived from other surveyed variables.</b></li> </ol>

VARIABLE GROUP	Variable	Definition	PGECON advice	Methodology
Number of enterprises	Number of enterprises (1)	Number of fish processing enterprises in each size category (in terms of number of persons employed).	<p>What does (1) mean?</p> <p>Number of fish processing enterprises in each size category (in terms of number of persons employed).</p> <p>Rename to "Number of enterprises by size category"</p> <p>Suggested categories: ≤5; 6-10 and &gt;10 FTE</p>	<p>For the part of population covered by SBS:</p> <ol style="list-style-type: none"> <li>1. directly obtained from SBS survey.</li> </ol> <p>For the part of population not covered by SBS:</p> <ol style="list-style-type: none"> <li>2. directly obtained from DCF survey,</li> <li>3. derived from other surveyed variables.</li> <li>4. Through other governmental or administrative organizations</li> </ol>
weight of Raw material (OPTIONAL)	Weight of raw material per species and origin (optional)	Weight of raw material originating from fisheries and aquaculture	<p>PGECON 2020:</p> <p>Weight and value of raw material by:</p> <ul style="list-style-type: none"> <li>• Species</li> <li>• Production environment (Capture based fishery and aquaculture sector)</li> <li>• Country of Origin (Domestic, other EU or non-EU)</li> </ul> <p>Type of processed material (fresh, frozen and semi processed materials) – if possible</p>	<p>For all enterprises:</p> <ol style="list-style-type: none"> <li>1. directly obtained from DCF survey,</li> <li>2. derived from other surveyed variables.</li> </ol>