

Agricultural Means of Production Purchasing Price Index (IPAMPA) Base and reference year 2015

Producing organisation: INSEE
Read the « [Informations Rapides](#) » related to this indicator.

Introduction

Since 1997, the Agricultural Means of Production Purchasing Price index, known as IPAMPA in French, replaced IPPINEA, a previous price index of products needed for agriculture which had been calculated since 1949.

Scope of data

The purpose of IPAMPA is to provide information on trends purchase prices of the means of agricultural production, production inputs and capital expenditures.

Agricultural means of production purchasing price index is composed of two parts:

- Goods and service consumed in agriculture index,
- Goods and service contributing to agricultural investment index.

Source of data

Monthly data come from four main sources (non-exhaustive list):

- the Survey of the Observation of Prices for Intermediate Consumptions (PCIA survey) of the Department of Agriculture's Foresight and Evaluation Service (SSP)
- Producer Price Indices in industry and services and Building and public works indices¹ produced by INSEE
- Consumer price indices for energy price trends (in particular fuels and electricity),
- The website of the Ministry for the Ecological and Inclusive Transition for the monthly price of domestic fuel (<http://www.prix-carburants.developpement-durable.gouv.fr/>).

Regulations

The Agricultural Means of Production Purchasing Price Indices intend to meet a European demand. They are disseminated at the end of each quarter to Eurostat, the European Statistical Office as part of a gentlemen's agreement discussed by the « Agricultural Accounts and Prices Working Group » (AAPWG). They comply with harmonized rules at European level.

Purposes

The Agricultural Means of Production Purchasing Price Indices are used for three kinds of purposes:

- macroeconomic,
To prepare Economic Accounts for Agriculture (EAA) ;
- short term outlook,
To monitor closely changes in purchase prices of agricultural means of production;
- microeconomic,
To give economic operators the opportunity to monitor purchase prices of agricultural means of production.

¹ The indices used are those of month M-3, the last available at the date of IPAMPA calculation.

Geographical field: France (including overseas departments)

Technical characteristics

Dissemination and revisions

The Agricultural Means of Production Purchasing Price Indices are disseminated monthly, usually on the last working day of the month following the reference month. They can be revised in the months following their first publication.

Methodology

The methodology for calculating agricultural means of production purchasing price indices is specified in the « Handbook for EU Agricultural Price Statistics ». Its latest version, 2.1, is dated from november 2015.

Its main rules are:

« The expenditure incurred by farmers in purchasing the means of production, including the purchases of crop products from other agricultural units for intermediate consumption, over the base period constitutes the basic value for calculating the value weights for the input index. This expenditure too is expressed excluding (deductible and reimbursable) VAT. »

« Means of production have to be valued at the purchase price which is the price the purchaser actually pays for the products. It includes taxes less subsidies on products (but excludes deductible taxes like deductible VAT). »

« It is assumed by convention that the fertilisers and feedingstuffs purchased are used in the same production period and that there are no stocks on farm. »

« The weights used in the index for Goods and services contributing to agricultural investment represent the expenditure incurred by farmers over the base period in purchasing this kind of goods and services. »

As « Inputs of agricultural production are treated as non-seasonal », agricultural means of production purchasing price indices are not seasonally adjusted.

Aggregation and reference

Calculations of indices at their elementary levels: Results of the PCIA survey show a wide dispersion of prices for the same item. This dispersion is explained by the heterogeneity of articles, of their packaging or their composition. To deal with this heterogeneity, the chosen solution consists of measuring the average price evolution of the index basic series from a geometric mean of the price evolution.

For the other items of the IPAMPA, the basic series are price indices published by INSEE (consumer price indices, production price indices in industry and services, Building and public works indices).

Calculations of indices at Higher levels of aggregation: The Agricultural means of production purchasing price aggregated indices are calculated on the basis of the Laspeyres formula with fixed base year. The base year is fixed for 5 years which means that the weighting structure, representative of the base year, is fixed for 5 years.

How the weighting structure is defined : the value weights from the weighting schemes were provided by the 2015 semi final Economic Accounts for Agriculture data.

Retropolation: Agricultural means of production purchasing price indices labeled with 2015 as base and reference year are calculated using the new weighting structure since January 2013. The indices of the previous months are obtained by backcasting the monthly variations of the 2010 base and reference year indices.

Seasonal adjustment: No series of indices are seasonally adjusted.

New products of the 2015 base year indices

The base year change to 2015 of the agricultural producer price indices allowed to introduce new products as bio-stimulant products or biological control products and to expand the sample products specifically used in the overseas departments. The nomenclature revisions were very limited.

For further information

Agricultural means of production purchasing price indices are available on the INSEE website, under the webpage : « [Agricultural price indices](#) ».