What is FAU?

The Family Agricultural Unit, based on homogeneous physical units at the municipal scale, is the third methodology approved by the country throughout history to carry out t he calculation of the instrument in rural areas. It follows the definition provided in Article 38 of Law 160 of 1994, where FAU is understood as:

A basic enterprise **for agricultural, livestock, aquaculture, or forestry production,** whose extent, **in accordance with the agroecological conditions** of the area and with **appropriate technology,** allows the family **to earn wages for their work and have a capitalizable surplus** that contributes to the formation of their assets. The Family Agricultural Unit (FAU) generally won't require anything other than **the labor of the owner Xand their family** to be operated, without prejudice to the use of external labor if the nature of the operation demands it.

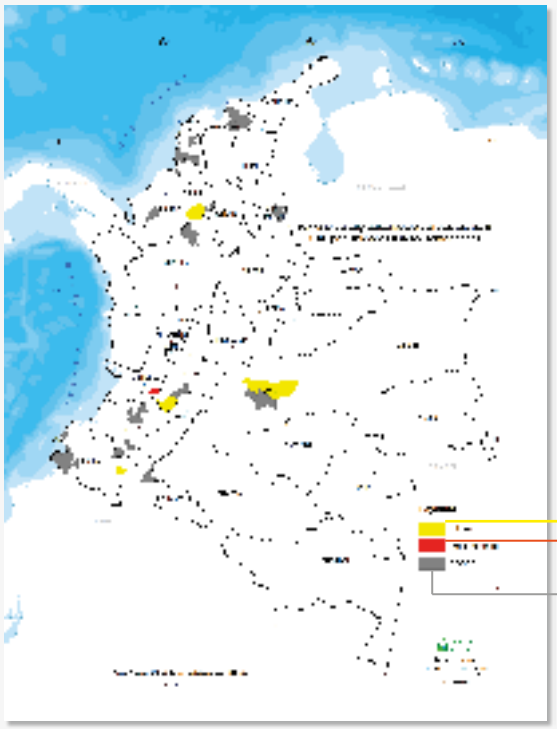
- The main objective is to define the agricultural and livestock production area, for which a portfolio of productive systems per Homogeneous Physical Unit (UFH) is determined.
- The unit of analysis and geography is the Homogeneous Physical Unit (UFH), previously calculated for the entire country.
- It assesses the level of technological development and technological trajectory of each productive alternative in the municipality.
- It calculates an equivalent benefit of 1.91 times the legal monthly minimum wage (s.m.m.l.v.), where remuneration for family labor constitutes 80%, and the capitalizable surplus constitutes 20%. It estimates the Minimum Profitable Area.
- Areas of care economy, housing, productive infrastructure, and those designated for ecosystem conservation are added to the expected benefit for the producer.

This methodology was preceded by those established in Resolution 017 of 1995 (under which the current FAU were calculated) and the methodology of Agreement 202 of 2009. However, FAU calculations will continue to be carried out solely under this new methodology, except for land access procedures that, as of the effective date of Agreement 167 of 2021, had started under the application of the previous methodologies, provided that the new methodology for calculating the Family Agricultural Unit per Homogeneous Physical Unit at the Municipal Scale is not available.

This new methodology is conceived as the multipurpose FAU, as it was defined with broader application than the previous methodologies, meaning not only for public lands but also for procedures involving State-owned heritage properties, Reserved Public Lands intended for land endowment programs, and Comprehensive Land Access Subsidy. These latter procedures had been calculated using an exception of property-based FAU, but now they will be subject to the same FAU.

How is the implementation progressing?

It's a methodology that has already begun its implementation gradually and progressively in five municipalities and will continue to be implemented based on ANT's prioritization of municipalities for the implementation of social property management. This is without prejudice to ANT undertaking a process of regionalized focus for the implementation in various land access programs calculated per Homogeneous Physical Unit (UFH).



4 pilot municipalities for the methodological formulation.

Planadas (Tolima), Ayapel (Córdoba), Buesaco (Nariño) y San Martín (Meta)

1 municipality implemented.

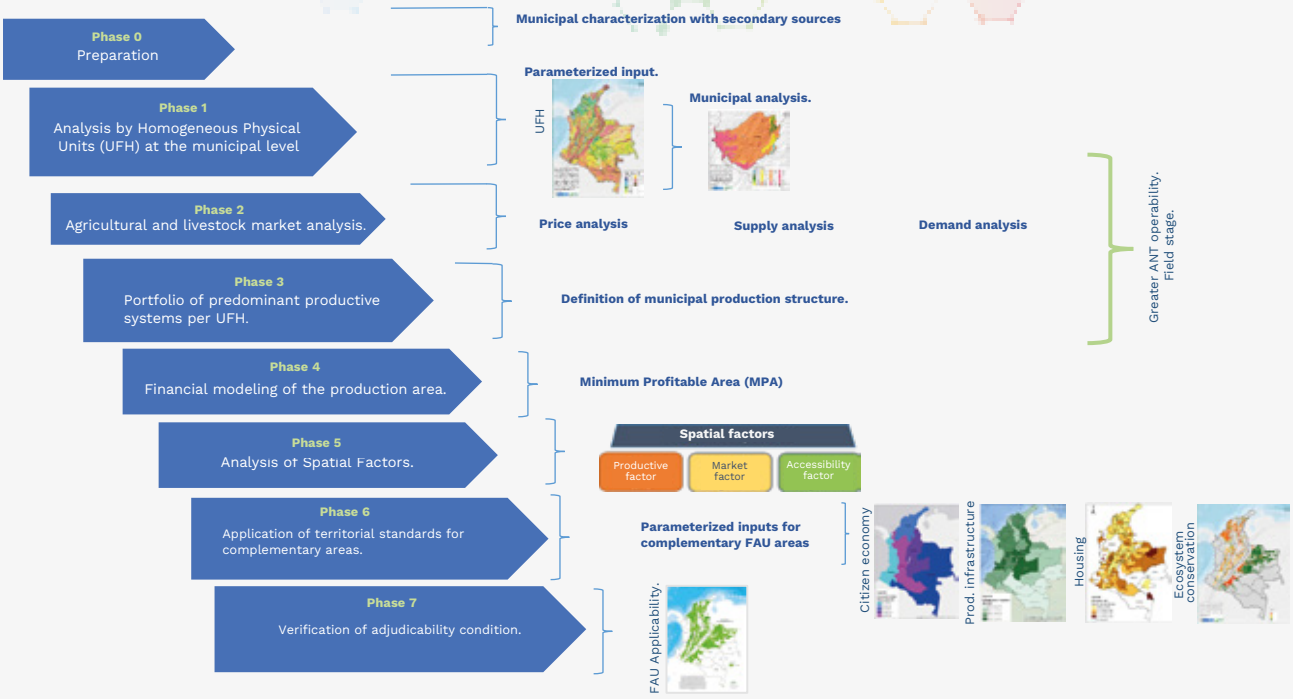
Pradera (Valle del Cauca)

Currently, 22 focused municipalities are being intervened in the phase of POSPR implementation.

Ataco (Tolima), Valencia (Córdoba), Ciénaga (Magdalena), Cáceres (Antioquia), Guaranda (Sucre), Puerto Lleras (Meta), Fuentedeoro (Meta), Aracataca (Magdalena), Tumaco (Nariño), El Carmen de Bolívar (Bolívar), Santander de Quilichao (Cauca), Almaguer (Cauca), Cajibío (Cauca), Mahates (Bolívar), Mercaderes (Cauca) Morales (Cauca), San Antonio de Palmito (Sucre), Piamonte (Cauca) Piendamó – Tunia (Cauca), San Onofre (Sucre), Sucre (Cauca)

How are UAF calculated?

ANT carries out a calculation in seven (7) phases, which UPRA contributed to defining technically, to determine the minimum and maximum range for each Homogeneous Physical Unit (UFH). Calculated per UFH.



See it on our YouTube channel

Where to find information related to the methodology?

Agreement 167 of 2021 by ANT, through which the methodological guide for calculating the family agricultural unit per homogeneous physical units at the municipal scale is adopted.

Refer to the document HERE

Methodological technical document, an integral part of Agreement 167 of 2021 by ANT.

Refer to the document HERE

ABC Booklet: FAU Methodology by Homogeneous Physical Units at the Municipal Scale.

Refer to the document HERE

Check and download the Homogeneous Physical Units in the Information System.

Refer to the document HERE

Check the progress of the implementation on the page of the Rural Lands Observatory of the National Land Agency.

Refer to the document HERE

Key Concepts:

Land Access: It constitutes a guarantee of the right to land through various forms of tenure or temporary/permanent appropriation, defined legally or historically (ANT, Resolution 4360 of 2018, technical annex).

Family, Peasant, and Community Agriculture: A socio-economic and cultural system developed by agrarian communities (peasants, settlers, indigenous, black/Afro-descendant) in their respective territories, engaging in agricultural, livestock, agroforestry, aquaculture, or fishing activities. These are predominantly driven by family labor or a community of rural families. The land tenure and size are heterogeneous, and the production system allows for partial self-consumption needs and income generation through sporadic or constant local, national, or international market sales. This pursuit aims to improve quality of life, contributing to both self-food security and society (MADR-UPRA, Resolution 464 of 2017, Article 3).

Costing Area: It refers to the hectare extent dedicated to the development of the agricultural activity identified in primary information capture associated with the cost basket of a specific productive alternative.

Minimum Profitable Area: It's the net productive area in hectares dedicated to agricultural activity that a producer requires to achieve a specified total benefit level, including remuneration for family labor and capitalizable surplus.

Base Year: The base year refers to the year in which input information for the economic financial model was captured, including primarily production and marketing costs and commodity prices.

Benefit for the Producer: It's the overall and aggregated economic benefit for the producer resulting from the sum of net flow and remuneration for labor generated through agricultural activity in the minimum profitable area.

Criteria: A complex attribute (set of variables) of land qualities that independently affect suitability for a specific type of use (FAO, 1976).

Production Cycle: It's the period of time required for the complete development of a specific agricultural activity.

Recovery Cycle: It's the period of time, once fulfilled, required for tasks and input consumption related to the establishment of a crop or agricultural production activity.

Soil Class: Comprising 13 classes (01 - 13), where class 01 is the best and class 13 is the most restrictive. Additionally, it includes categories such as Water Bodies (CA), Rocky Miscellany (MR), Urban Areas (ZU), and Non-Soil (No Soil) (UPRA - ANT, Sotelo, A., Solano, A., Velasco, J., Rodríguez, L., Clavijo, N., Moreno, D., others, 2021).

Production Costs: Production costs consist of all cash expenditures or resource consumption necessary as production factors for the development of agricultural activities.

Care Economy: The unpaid work performed within the household, involving the maintenance of the dwelling, care for other household or community members, and the maintenance of the paid workforce (Article 2, Law 1413 of 2010).

Cost Structure: The monetary value of everything used in production, including plants, labor, irrigation pump fuel, fertilizers, insecticides, and other products needed to achieve fruit harvesting. What's used is organized into a format that can be observed from implementation to production system harvest (IICA, Manual for calculating production costs). Among these, the cost of land is not considered, as it's the resource to be provided based on the calculation.

Capitalizable Surplus: It's the monthly surplus of resources that contributes to the formation of the agricultural producer's assets, expressed in legal monthly minimum wages (Law 160, 1994).

Net Cash Flow: The free cash flow or net cash flow can be understood as the flow of resources remaining available for financial creditors and company shareholders (García Serna, 2009).

Accumulated Net Flow: It's the cumulative result of net cash flow resulting from agricultural activity up to a specific cutoff period, including the net cash flow results at the cutoff along with net cash flow results from previous periods.

Time Horizon: It's the time window in which the productive system or agricultural activity will be projected and evaluated for calculating the benefit for the agricultural producer.

Initial Investment: It's the monetary value of resources that the producer must incur in the initial stage of the project to access the production factors necessary for developing agricultural activity (Gitman & Zutter, 2012).

Income: Agricultural activity income for the producer consists of the total income resulting from the marketing of the production obtained in agricultural land exploitation. It's calculated based on the achieved productive yield and the market price at which the marketing occurs.

Productive Infrastructure: Facilities used in the development of agricultural activity, such as corrals, warehouses, sheds, ponds, wells, irrigation channels, camps, administrative areas in the production unit, etc. (National Administrative Department of Statistics, 2014. 3rd National Agricultural Census Glossary).

Labor: It's the economic recognition of labor as a production factor required in the development of agricultural activity.

Non-soil: Soil classifications for which no soil evaluation exists (referred to as rocky miscellany outcrop MR, corresponding to water bodies CA, and urban areas ZU).

Price: Price is the amount of resources or other useful elements needed to acquire a product or production factor (Stanton, Etzel, & Walker, 2007).

Productive Yield: It's the physical production per unit of area (Hectare), expressed in harvested kilograms or according to the productive performance index in the case of livestock alternatives (UPRA, 2019b).

Food Security: When all people have, at all times, physical and economic access to sufficient safe and nutritious food to meet their dietary needs and food preferences for an active and healthy life (FAO, 2013. Food Security and Sovereignty).

Final UFH Symbol: Alphanumeric symbol identifying the Homogeneous Physical Unit, composed of Arabic numerals (01 - 13) representing classes, uppercase letters indicating the climatic unit, followed by lowercase letters or numbers indicating slope and then specific limitations (UPRA - ANT, Sotelo, A., Solano, A., Velasco, J., Rodríguez, L., Clavijo, N., Moreno, D., others, 2021).

Productive Systems: They are defined as space-time functional units of production in the rural sector, assimilable to the concept of a property or "farm." Their basis is the management of transformed ecosystems called agroecosystems, or the extraction of resources from wild or low-intervention areas. A production system can represent several properties or farms that share similar characteristics (Ministry of Environment, Housing, and Territorial Development. 2003. Ecoandino Sustainable Development Project - concepts and methodology).

Legal Security of Property Rights: Certainty that exists regarding property rights due to the absolute coincidence between the official records of the Cadastral Authorities and the Registry Office.

Time Unit: It's the smallest temporal measurement unit for grouping inputs and results of economic-financial modeling of the minimum profitable area. In this case, the time unit will be one (1) year for measuring the time periods of the modeling.

Homogeneous Physical Unit: It's the result of dividing the national territory into sub-municipal units based on the combined effects of the environmental climate and permanent soil characteristics. This facilitates the analysis and understanding of conditions for reference agricultural production for the grouped properties and guides the process of granting rural properties in various access to land modalities, efficiently and effectively.

Cartographic Soil Units: Also referred to as mapping units, these are the grouping of soils that define a sector of the soil population, either homogeneous or heterogeneous. They simultaneously refer to their pedological content. These units also have taxonomic components distributed in one or several classes of the taxonomic pyramid.

This set of delineations is identified on the map by a unique symbol, color, or shading (IGAC, 2014).

Potential Value: A numerical index used as an indicator of land quality for multipurpose purposes. It's obtained based on the quantification of variables related to soil agronomic conditions, climate, and topography (IGAC, 2016).

Variable: A characteristic or attribute of the land that can be measured or estimated (FAO, 1976).