

## ROADMAP

Roadmaps aim to inform citizens and stakeholders about the Commission's work in order to allow them to provide feedback and to participate effectively in future consultation activities. Citizens and stakeholders are in particular invited to provide views on the Commission's understanding of the problem and possible solutions and to make available any relevant information that they may have.

<b>TITLE OF THE INITIATIVE</b>	Conversion of FADN to a Farm Sustainability Data Network (FSDN)
<b>LEAD DG – RESPONSIBLE UNIT</b>	DG AGRI – C.3
<b>LIKELY TYPE OF INITIATIVE</b>	Proposal for a regulation (amendment of Reg. 1217/2009)
<b>INDICATIVE PLANNING</b>	Q2 2022
<b>ADDITIONAL INFORMATION</b>	<p>FADN website: <a href="https://ec.europa.eu/info/food-farming-fisheries/farming/facts-and-figures/farms-farming-and-innovation/structures-and-economics/economics/fadn_en">https://ec.europa.eu/info/food-farming-fisheries/farming/facts-and-figures/farms-farming-and-innovation/structures-and-economics/economics/fadn_en</a></p> <p>FSDN Have your say: <a href="https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12951-Conversion-to-a-Farm-Sustainability-Data-Network-FSDN-">https://ec.europa.eu/info/law/better-regulation/have-your-say/initiatives/12951-Conversion-to-a-Farm-Sustainability-Data-Network-FSDN-</a></p>

This Roadmap is provided for information purposes only and its content might change. It does not prejudice the final decision of the Commission on whether this initiative will be pursued or on its final content. All elements of the initiative described by the Roadmap, including its timing, are subject to change.

### A. Context, Problem definition and Subsidiarity Check

#### **Context**

The European Union aims to be climate-neutral by 2050, where greenhouse gas emissions are net-zero. All parts of society and sectors will play a role, including agriculture. The farming sector has its own targets to achieve as well, some of them already by 2030. The Common Agricultural Policy and the European Green Deal together with its Farm to Fork and Biodiversity strategies state them clearly:

- Reduction of nutrient losses by 50%
- Reduction of fertilizer use by 20%
- Reduction of pesticide use by 50%
- Reduction of sales of antimicrobials by 50%
- Increasing organic farming to 25% of utilised agricultural area (UAA)
- Increasing high-diversity landscape features to 10% of UAA

In the [Farm to Fork strategy](#), the Commission announced its intention to convert the Farm Accountancy Data Network (FADN) into a Farm Sustainability Data Network (FSDN), with a view to collect farm level data addressing the above-mentioned targets and other sustainability indicators. The FADN is a unique source of microeconomic and accountancy data coming every year from more than 80 000 EU farms. It has allowed assessing farms' economic and financial situations since 1965. The Commission provides the harmonised methodology and the unique questionnaire, whereas the Member States collect, verify and submit the data. Farmers do not have an obligation to take part in the survey, as the FADN participating farmers are volunteers.

The overall aim of the FADN is to address the needs of the Common Agricultural Policy (CAP). As those needs evolve over time, a conversion into FSDN is envisaged where next to the economic dimension, also the environmental and social ones are taken into account. It is with the aim to improve the sustainability of farmers, including their incomes, as well as to make food systems fairer, healthier and more environmentally and socially friendly in line with the objectives of the Common Agricultural Policy and the EU Green Deal.

The Farm to Fork action plan specifies that the current basic regulation, Council Reg. (EC) No 1217/2009, will be amended. The Commission in the second quarter of 2022 will adopt the FSDN initiative. This amended regulation will be complemented by secondary legislation.

#### **Problem the initiative aims to tackle**

The FADN provides farm-level data and analysis mainly on economic aspects. At present, very few data to assess social and environmental dimensions of EU agriculture are included. Without a holistic approach and solid evidence base, it is more difficult for farmers, farm advisors and policy-makers to identify and implement sustainable approaches and assess the performance of farms with respect to the socio-economic, environmental and climate objectives and targets as set out in the CAP reform and European Green Deal. For example, FADN already collects general information about the value of all crop protection products at a farm. However, to assess

performance towards environmental targets, more detailed information will be needed as regards agricultural practices, pesticides use and their environmental risks. As regards the socio-economic dimension, the FADN collects certain labour-related data, however, data is lacking e.g. on generational renewal or quality of life on farms.

Under FADN, participating farmers are volunteers who provide data to an annual survey focusing on farmers' economic data. Nevertheless, farmers also take part in other surveys and data collection exercises, some of them obligatory for farmers, e.g. the Eurostat and National Statistical Institutes agricultural census, or other questionnaires, subsidies-related data collections through Integrated Administration and Control System (IACS), or specific agricultural projects, evaluations and studies. Data provision takes time and may create an additional administrative burden for farmers. Over the last decade, modern and innovative data collection approaches have been developed, including interconnected data platforms and geospatial data generated through the European Space programme, but the use of these approaches in FADN has not been developed to their full extent. Opportunities to collect FADN data together with other data submitted, for example, to request farm subsidies or to statistical offices are also insufficiently exploited. Lastly, even if a unique and harmonised questionnaire for collecting FADN data is provided, the data collection methods can differ among Member States. Depending on the chosen method, costs and burden may vary.

Finally, farmers need some incentives to participate in voluntary data collections. Current incentives, such as farm performance feedback received by farmers in some Member States, or other benefits are rather limited and appear insufficient to motivate farmers to participate in the FADN. The limited feedback also underexploits the wealth of information gathered in the FADN.

The Farm Advisory Systems and other farm advisory have been set up to provide advice to farmers and help them with the farming activities. However, sometimes advisors lack detailed farm level data, in order to provide a targeted support to farmers.

#### **Basis for EU intervention (legal basis and subsidiarity check)**

The legal basis for this initiative, which falls under shared competence, is provided under Article 38 of Treaty on the Functioning of the European Union (TFEU). The European Union needs harmonised farm-level data in the context of the CAP and the Green Deal, in order to have a solid evidence basis to assess the sustainability of farming practices across Member States, regions, farm types and farm sizes. This requires a uniform methodology, to ensure comparability of the collected data.

### **B. What does the initiative aim to achieve and how**

This initiative aims to convert the existing FADN into a FSDN. The objectives of the initiative aim to:

- maintain and improve the current role of FADN as the central source of harmonised economic and accountancy farm-level data in the EU, and the reference source of data for income-related indicators of the future CAP;
- add environmental and social dimensions to allow for a comprehensive assessment of the situation of farms and their performance;
- reinforce the relevance of FADN/FSDN for policy-making, research, evaluation and policy analysis;
- reduce the administrative burden for data collection by simplifying existing and introducing innovative and modern systems and practices;
- improve the sustainability performance of participating farmers' agricultural operations; and
- speed up the use of new technologies for both farmers (e.g.: uptake of new farming technologies) and for data collectors (e.g.: to simplify and reduce burden in collecting data).

To achieve these objectives, the conversion into an FSDN exercise will consider:

- simplifying data collection and reducing administrative burden by interlinking FSDN with other existing data management tools, such as the Integrated Administration and Control Systems, national statistics sources as well as making use of new technologies (e.g.: geospatial data generated through the European Space programme) for data collection;
- adding key variables on the environmental and social dimensions of farming, review and reassess economic variables;
- facilitating the use of farm-level data in farm advice (e.g.: for Farm Advisory Systems), benchmarking, training, research and innovation, hence providing tailored advisory services;
- finding better incentives for farmers to participate in the FSDN. Some farmers are eager to share their farm data in exchange for an assessment of their own sustainability performance and a comparison with others;
- making farm related policies even more fact-based and reducing cost of monitoring and evaluations by having a centrally placed FSDN system and its network covering all three dimensions (economic, social and environmental) that describe the farms context.

## C. Better regulation

### Consultation of citizens and stakeholders

The targeted consultation foreseen for this initiative will aim to gauge the feasibility of the proposed conversion of FADN to FSDN in the Member States, to identify bottlenecks and potential solutions as well as examine scope for simplification. No open public consultation is planned due to the technical nature of the initiative and its clearly defined scope.

A conversion of the existing FADN into an FSDN mainly affects those who run the network in the Member States, the farmers who will have to provide additional information and the users of the collected data, policy-makers, advisors (and subsequently the farmers), evaluators and researchers.

Consultation activities:

- Targeted on-line questionnaire to stakeholders (e.g. Member States authorities, National Statistical Institutes, farmers, evaluators, researchers) during summer 2021
- Workshop with stakeholders (September 2021) – reflections on proposed conversion to FSDN
- FADN Committee meetings and creation of a specific working group with Member States authorities
- Conference (beginning 2022) to present the results of the consultation activities and the draft initiative and harvest feedback from all relevant stakeholders

In addition, an exploratory workshop with stakeholders (Member States' FADN liaison offices, advisory services, research institutes, public authorities, private companies) took place in February 2021, to take stock of the current working of FADN and explore existing good practices in the private and public sector, in the Member States and in third countries.

### Evidence base and data collection

The conversion to FSDN will also build on the [FLINT](#) FP7 project as well as on relevant Horizon 2020 projects, such as [MEF4CAP](#), which have developed farm-level data collection on a range of sustainability practices and tested them on a subsample of FADN farms. In addition, a [study](#) analysed costs of and good practices for FADN data collection in 2015. In a near future, a pilot project will start to identify ways to collect environmental and social farm level data in a practical and efficient manner. Its outcomes will directly contribute to this initiative as well as to the secondary legislation. Several studies have already been carried out in this field, thus a significant body of evidence is available for this initiative. The conversion will also consider related European legislation, such as statistical legislation, to ensure coherence and complementarity and avoid duplicating data collection to limit the burden on respondents.

No impact assessment will be carried out because of the technical nature of the initiative and its clearly defined scope.