



2024/2499

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COMMISSION IMPLEMENTING REGULATION (EU) 2024/2499

of 26 September 2024

laying down rules for the application of Council Regulation (EC) No 1217/2009 as regards the financial contributions to Member States' implementation costs when setting up the Farm Sustainability Data Network

THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Council Regulation (EC) No 1217/2009 of 30 November 2009 setting up the Farm Sustainability Data Network ⁽¹⁾, and in particular Article 19(4) thereof,

Whereas:

- (1) Article 19(2) of Regulation (EC) No 1217/2009 lays down that financial contributions from the European Agricultural Guarantee Fund (EAGF) are to be provided to Member States in order to contribute to Member States' implementation costs when setting up the system for collecting variables relating to the topics set out in Annex -I to Regulation (EC) No 1217/2009, notably environmental and social variables, to meet the requirements of that Regulation, including for training and interoperability between data collection systems.
- (2) To that purpose, it is necessary to lay down, in particular, the detailed procedures relating to the Union financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009 and setting out the criteria on the basis of which the contributions are allocated per Member State.
- (3) The Union budget for 2024, within the EAGF envelope, includes an amount of EUR 50 million for the financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009, in order to support Member States in the setting up of the Farm Sustainability Data Network (FSDN).
- (4) To address the efforts needed by each Member State to convert their computerised data collection and reporting system to meet the requirements of the FSDN, and to simplify the financial management of the Union contribution, the Union financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009 should be made available to Member States in the form of a lump sum contribution to cover eligible costs such as those relating to information technology development and interoperability between the various data sources listed in Article 4(2) of Regulation (EC) No 1217/2009.
- (5) After an in-depth assessment, the Commission considers that lump sums are the most appropriate form of contribution because the nature of the setting-up action lends itself to costs that can be estimated in advance, with associated activities that are to lead to the operational setting up of the FSDN. In addition, it is estimated that there is a low risk of irregularity or fraud as the beneficiaries are public bodies. The use of lump sum contributions is also expected to significantly simplify implementation for the Commission and the Member States by removing the need for financial reporting and verification.
- (6) To simplify the financial management of the Union contribution, the lump sum amounts to be made available should be based on an estimated budget to be provided by each Member State, subject to maximum amounts which are proportionate to the agricultural population, the diversity of structures within the agricultural sector and the size of each Member State's contribution to the Union's agricultural production.

⁽¹⁾ OJ L 328, 15.12.2009, p. 27, ELI: <http://data.europa.eu/eli/reg/2009/1217/oj>.

- (7) In the absence of any specific transitional period allowing for a clearly distinguishable phase of preparation before implementation, the new requirements introduced by Regulation (EU) 2023/2674 of the European Parliament and of the Council ⁽²⁾, which amends Regulation (EC) No 1217/2009, should be applied gradually by the Member States from the start of the first data collection cycle following the entry into force of Regulation (EU) 2023/2674, i.e., the cycle relating to reporting year 2025. This implies that Member States have been urged to start adapting their systems immediately after the entry into force of the new requirements in early 2024 so that they are able to have the first adaptations in place before the end of October 2024, when the collection cycle of the new data starts. To meet this deadline and implement the new requirements successfully, Member States have been encouraged to advance the implementation of the actions necessary for transitioning to the FSDN. Consequently and to avoid Member States being penalised for having started to implement the new requirements as soon as possible in 2024, Member States should be authorised to consider costs incurred as of 1 January 2024 as eligible for Union financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009.
- (8) The setting up of the FSDN in each Member State, and thus the eligibility of the Union contribution, should be verified using implementation reports drawn up by the Member States of the actual actions taken leading to the operational setting up of the FSDN. The actual actions taken could differ from those initially planned in case they have been replaced by relevant alternative actions.
- (9) To accelerate the conversion to the FSDN, pre-financing should be provided to Member States before 31 December 2024.
- (10) The Commission, the European Public Prosecutor's Office (EPPO) in respect of those Member States participating in enhanced cooperation pursuant to Council Regulation (EU) 2017/1939 ⁽³⁾, the European Anti-Fraud Office (OLAF) and the Court of Auditors are to have the power to exert their respective competences, including to carry out audits, on-the-spot-checks and investigations on the use of the Union financial contributions provided under this Regulation.
- (11) To enable the Member States to submit a proposal to the Commission setting out the amount of the requested lump sum contributions as soon as possible, this Regulation should enter into force on the day following that of its publication in the *Official Journal of the European Union*.
- (12) The measures provided for in this Regulation are in accordance with the opinion of the Committee for the Farm Sustainability Data Network,

HAS ADOPTED THIS REGULATION:

Article 1

Available budget and maximum financial allocation per Member State

1. The total available amount provided by the European Agricultural Guarantee Fund (EAGF), under direct management expenditure as referred to in Article 5(3), point (c), of Regulation (EU) 2021/2116 of the European Parliament and the Council ⁽⁴⁾, to finance in 2024 the financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009 shall be EUR 50 million.

⁽²⁾ Regulation (EU) 2023/2674 of the European Parliament and of the Council of 22 November 2023 amending Council Regulation (EC) No 1217/2009 as regards conversion of the Farm Accountancy Data Network into a Farm Sustainability Data Network (OJ L, 2023/2674, 29.11.2023, ELI: <http://data.europa.eu/eli/reg/2023/2674/oj>).

⁽³⁾ Council Regulation (EU) 2017/1939 of 12 October 2017 implementing enhanced cooperation on the establishment of the European Public Prosecutor's Office ('the EPPO') (OJ L 283, 31.10.2017, p. 1, ELI: <http://data.europa.eu/eli/reg/2017/1939/oj>).

⁽⁴⁾ Regulation (EU) 2021/2116 of the European Parliament and of the Council of 2 December 2021 on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013 (OJ L 435, 6.12.2021, p. 187, ELI: <http://data.europa.eu/eli/reg/2021/2116/oj>).

2. The Union financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009 are allocated to Member States as set out in the Annex to this Regulation and shall be limited to the amounts provided therein.

Article 2

Single lump sums

The Union financial contributions referred to in Article 19(2) of Regulation (EC) No 1217/2009 shall take the form of single lump sum contributions covering eligible costs associated with the setting up of the Farm Sustainability Data Network (FSDN) in the Member States, as referred to in Article 3 of this Regulation, and shall not exceed the maximum amount per Member State referred to in Article 1(2) of this Regulation.

Article 3

Eligible activities and costs

1. The lump sum contributions referred to in Article 2 of this Regulation may cover eligible costs linked to one or more of the following categories of activity:

- (a) developing the Member States' computerised data collection, data checking, data processing and data reporting system to meet the requirements of Regulation (EC) No 1217/2009 and which shall be operational by 31 December 2027;
- (b) building Member States' capacity for using the data sources and for linking the data sets referred to in Article 4(2) and in Article 4a(1) of Regulation (EC) No 1217/2009 respectively, including costs related to cooperation between liaison agencies;
- (c) developing methodologies and innovative approaches, including digitally-based solutions, to adapt the Member States' computerised data collection, data checking, data processing and data reporting system providing feedback reports and benchmark services for farmers to the requirements of Regulation (EC) No 1217/2009;
- (d) recruiting and training experts, in particular in the liaison agencies, to align the human resource capacity to the increased demands of the FSDN, including travel and subsistence allowances;
- (e) incentivising farmers to participate in the FSDN, including by raising their awareness to the benefits of participating in the data network.

2. The Union financial contribution per Member State shall not exceed 95 % of the eligible costs estimated by the Member State.

3. Eligible costs may include both direct and indirect costs.

4. Indirect costs shall be calculated by applying a maximum flat rate of 7 % of the total eligible direct costs, excluding subcontracting costs.

5. Salary costs of the personnel of national administrations are eligible, to the extent that they relate to the cost of activities referred to in paragraph 1 which the relevant public authority would not carry out if the setting up of the FSDN was not undertaken.

6. Costs funded under other Union actions are not eligible.

Article 4

Procedure for establishing the lump sum contributions

1. Each Member State shall submit a proposal to the Commission setting out the amount of the requested lump sum contribution based on their estimated budget necessary for setting up the FSDN. The proposal shall include a breakdown of the estimated costs showing the share per category of activity referred to in Article 3(1). The proposal shall also describe the activities covered by each category and the related resources.

2. The detailed cost estimation per category referred to in paragraph 1 of this Article shall include only costs that are:
 - (a) incurred between 1 January 2024 and 31 December 2027;
 - (b) necessary for the activities referred to in Article 3(1);
 - (c) in line with the Member State's usual cost practices;
 - (d) compliant with the applicable national law on taxes, labour and social security;
 - (e) compliant with the principle of sound financial management, in particular regarding economy and efficiency.
3. The estimated eligible costs shall be broken down by the following budget categories:
 - (a) personnel costs;
 - (b) subcontracting costs;
 - (c) purchase costs;
 - (d) other cost categories;
 - (e) indirect costs.
4. Member States shall draft their proposal using the relevant template provided by the Commission and submit it within one month after the entry into force of this Regulation and in any case no later than 4 November 2024, whichever occurs first.
5. The Commission shall assess the estimated budget proposed by the Member States against the activities proposed by them. Ineligible costs will be removed and the Union contribution may be adjusted by the Commission as deemed appropriate.

Article 5

Implementation reports

1. Member States shall provide the Commission with the following implementation reports:
 - (a) an interim report submitted no later than 31 March 2026;
 - (b) a final report submitted no later than 31 March 2028.

By way of derogation from the first subparagraph, Germany may submit the implementation reports to the Commission within 15 weeks after the respective deadlines referred to in the first subparagraph.

2. The implementation reports shall contain a description of the activities, as referred to in Article 3(1), carried out:
 - (a) from 1 January 2024 to 31 December 2025, for the interim report referred to in paragraph 1, point (a);
 - (b) from 1 January 2024 to 31 December 2027, for the final report referred to in paragraph 1, point (b).

The final report mentioned in paragraph (1), point (b), shall demonstrate the operational setting up of the FSDN, addressing how the activities described in the proposal, referred to in Article 4(1), or any relevant alternative activities, contributed to the setting up of the FSDN.

3. Member States shall submit their implementation reports by using the relevant template provided by the Commission.

Article 6

Payments

1. Upon approval of the Member State's proposal by the Commission, a pre-financing payment of 100 % of the approved single lump sum contribution shall be paid to the Member State.

2. The pre-financing payment shall be cleared at the moment of the final payment only if the Commission is satisfied with the operational setting up of the FSDN by the Member State and approves the final implementation report demonstrating the operational setting up of the FSDN.
3. The Commission may, at the moment of the final payment or afterwards, reduce the financial contribution for a Member State if the Member State has breached its obligations under this Regulation, including improper implementation, non-compliance with eligibility conditions, submission of false information, failure to provide required information, substantial errors, irregularities or fraud.
4. The amount of the reduction shall be proportionate to the seriousness and duration of the errors, irregularities or fraud or breach of obligations, by applying an individual reduction rate to the approved Union financial contribution. The Commission reserves the right to recover any amounts unduly paid.

Article 7

Entry into force

This Regulation shall enter into force on the day following that of its publication in the *Official Journal of the European Union*.

This Regulation shall be binding in its entirety and directly applicable in all Member States.

Done at Brussels, 26 September 2024.

For the Commission
The President
Ursula VON DER LEYEN

ANNEX

Member States' maximum allocations for setting up the Farm Sustainability Data Network as referred to in Article 1

	EUR (current prices)
Belgium	1 056 000
Bulgaria	1 092 568
Czechia	1 033 904
Denmark	1 196 202
Germany	4 513 608
Estonia	655 304
Ireland	1 143 549
Greece	2 188 568
Spain	4 979 273
France	5 963 231
Croatia	995 604
Italy	5 034 307
Cyprus	663 014
Latvia	786 887
Lithuania	951 572
Luxembourg	611 660
Hungary	1 436 663
Malta	607 896
Netherlands	2 178 215
Austria	1 138 913
Poland	4 269 601
Portugal	1 567 936
Romania	2 577 741
Slovenia	801 960
Slovakia	762 344
Finland	854 106
Sweden	939 374