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Subject:	Proposal for a REGULATION OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL amending Council Regulation (EC) No 1217/2009 as regards conversion of the Farm Accountancy Data Network into a Farm Sustainability Data Network - Comments from the Danish delegation

Delegations will find in the annex the comments from the Danish delegation on the above-mentioned proposal.

REGULATION OF THE EUROPEAN PARLIAMENT AND THE COUNCIL**amending Council Regulation (EC) No 1217/2009 as regards conversion of the Farm Accountancy Data Network into a Farm Sustainability Data Network**

When proposing a drafting suggestion, please copy the Commission's proposed text and make the changes visible (in bold/strikethrough or other equivalent manner).

If the proposed changes concern only a specific part of an article/recital (e.g. an individual letter/indent), please do not copy the full article but only the concerned part.

Please always provide a rationale for drafting suggestions in the "Comments" column.

DATE	MEMBER STATE
5/09/2018	Denmark

Recitals

COMMISSION PROPOSAL	COMMENTS	DRAFTING SUGGESTIONS
<i>Recital 1</i>		The development of the Union agricultural sector and of the common agricultural policy requires objective and

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		relevant information on the performance and sustainability of the Union agricultural holdings. The Farm Accountancy Data Network (FADN) had been established by Council Regulation (EC) No 1217/2009 ¹ .
<i>Recital 2</i>		In the Commission impact assessment supporting the 2018 legislative proposals for the Common Agricultural Policy (CAP) Post 2020 ² , the need to enhance the collection of farm-level data was identified.

¹ Council Regulation (EC) No 1217/2009 of 30 November 2009 setting up a network for the collection of accountancy data on the incomes and business operation of agricultural holdings in the European Union (OJ L 328, 15.12.2009, p. 27).

² SWD(2018) 301 final, Commission Staff Working Document - Impact Assessment - Proposals for a

- Regulation of the European Parliament and of the Council establishing rules on support for strategic plans to be drawn up by Member States under the Common agricultural policy (CAP Strategic Plans) and financed by the European Agricultural Guarantee Fund (EAGF) and by the European Agricultural Fund for Rural Development (EAFRD) and repealing Regulation (EU) No 1305/2013 of the European Parliament and of the Council and Regulation (EU) No 1307/2013 of the European Parliament and of the Council
- Regulation of the European Parliament and of the Council on the financing, management and monitoring of the common agricultural policy and repealing Regulation (EU) No 1306/2013
- Regulation of the European Parliament and of the Council amending Regulations (EU) No 1308/2013 establishing a common organisation of the markets in agricultural products, (EU) No 1151/2012 on quality schemes for agricultural products and foodstuffs, (EU) No 251/2014 on the definition, description, presentation, labelling and the protection of geographical indications of aromatised wine products, (EU) No 228/2013 laying down specific measures for agriculture in the outermost regions of the Union and (EU) No 229/2013 laying down specific measures for agriculture in favour of the smaller Aegean islands

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<i>Recital 3</i>		In the Commission communication of 20 May 2020 entitled ‘A Farm to Fork Strategy for a fair, healthy and environmentally-friendly food system’ (‘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 on sustainability. The conversion will also contribute to the improvement of advisory services to farmers and benchmarking of farm performance.
<i>Recital 4</i>		Agricultural holdings sustainability is assessed in the framework of the United Nations Sustainable Development Goals, along three main aspects: economic, environmental and social. Data are currently collected mainly to assess economic aspects of agricultural holdings, while there is a need that an overall sustainability of the holding is assessed including environmental data linked to soil, air, water and biodiversity,

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		as well as data covering the social dimension of farming. The conversion to FSDN will enable the benchmarking of farm performance against regional, national and sectorial averages. Regarding accountancy data, accounts of agricultural holdings constitute the basic source for any assessment of incomes on agricultural holdings or study of their business operation. The information collected may also be used to provide personalised advisory services and feedback to farmers with the aim to improve the agricultural holdings' sustainability.
<i>Recital 5</i>		Those objectives can be attained only by means of a Union network for the collection of farm sustainability data (hereinafter referred to as 'data network'), based on data collectors existing in each Member State, enjoying the confidence of the parties concerned. Member States or responsible national authorities should endeavour to modernise data collection modes as far as possible. In order to reduce the burden for farmers and data

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		collectors, with the aim to avoid the duplication of data requests and to enrich the FSDN data set, the principle of collect data once and re-use it multiple times should be applied. The Open Data Directive ³ will be considered. The use of digital solutions should be promoted, including re-use of data and data sharing with other sources. It should be provided for that the system based exclusively on farm accountancy offices may be extended in view of collecting environmental and social variables and that the data collection may be based both on regular and special surveys depending on the informative needs.
<i>Recital 6</i>		With regards to the field of survey set in Article 5 of Regulation (EC) No 1217/2009, the main criteria for the representativeness of accountancy data and the selection criteria for regular surveys shall be maintained, while adding further information for the other aspects

³ Directive (EU) 2019/1024 of the European Parliament and of the Council of 20 June 2019 on open data and the re-use of public sector information. PE/28/2019/REV/1.

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		of sustainability and bearing in mind that the resulting survey may not be representative with respect to environmental or social variables. Depending on the needs to collect such information, special surveys may be organised with different selection criteria and periodicity, including ad hoc or periodical (every few years) surveys.
<i>Recital 7</i>	Denmark would like to know what intentions the Commission has regarding the use of FarmID. If member states has to provide FarmID should this identification number be identical with the FarmID in IACS, IFS and other registers? If yes, how will this be ensured legally? And if providing FarmID, FSDN will only provide FarmID for a sample – and is it the intention that FarmID will be used only for data sharing for the sample provided, or does the commission intend to have a census in the future in order to combine data with these sources? For Denmark it is important that data sharing does not result in administrative sanctions towards a single farm unit.	When sending the data for returning holding at Union level, Member States should provide a farm ID to allow farm level identification with the purpose to ensure data sharing at Union level. Such information exchange has the objective to enhance the capacity to analyse sustainability matters.
<i>Recital 8</i>		In case individual data will be shared by the Commission or liaison agencies, it is of utmost importance to guarantee data protection and give assurance to farmers that their data and all other individual details obtained pursuant to this Regulation will be anonymised or

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		pseudonymised to avoid their identification, covering both natural and legal persons.
<i>Recital 9</i>	Denmark would like to know what intentions the Commission has regarding the use of FarmID. If member states has to provide FarmID should this identification number be identical with the FarmID in IACS, IFS and other registers? If yes, how will this be ensured legally? And if providing FarmID, FSDN will only provide FarmID for a sample – and is it the intention that FarmID will be used only for data sharing for the sample provided, or does the commission intend to have a census in the future in order to combine data with these sources? For Denmark it is important that data sharing does not result in administrative sanctions towards a single farm unit.	The data should be collected at the level of the Member State and should be pseudonymised with the identification number. Only pseudonymised data should be transmitted to the Commission. It should be provided for that access to this data may be provided only to the competent authorities in specific cases and in accordance with international, Union and national law. The procedures to be followed and the conditions to be fulfilled in order to gain access to data in accordance with necessity and proportionality requirements should be defined by international, Union and national law, and in particular with the Charter of Fundamental Rights of the European Union.
<i>Recital 10</i>		All necessary measures should be taken to avoid de-anonymisation and de-pseudonymisation but it may occur that data could be disclosed due to additional

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		research and data disclosure outside the control of the Commission. In such cases, data should be considered as personal data and Regulations (EU) 2016/679⁴ and (EU) 2018/1725⁵ of the European Parliament and of the Council should apply. Data are collected concerning agricultural holdings, without regard to ownership of natural or legal persons. Therefore, data protection guarantees should be extended to legal persons. Further, as the development, production and dissemination of European statistics is concerned, principles of Regulation (EC) 223/2009⁶ should be complied with.

⁴ Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1).

⁵ Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39).

⁶ Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (OJ L 87, 31.3.2009, p. 164).

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<i>Recital 11</i>	Denmark would like to know what intentions the Commission has regarding the use of FarmID. If member states has to provide FarmID should this identification number be identical with the FarmID in IACS, IFS and other registers? If yes, how will this be ensured legally? And if providing FarmID, FSDN will only provide FarmID for a sample – and is it the intention that FarmID will be used only for data sharing for the sample provided, or does the commission intend to have a census in the future in order to combine data with these sources? For Denmark it is important that data sharing does not result in administrative sanctions towards a single farm unit.	In order to ensure data protection, detailed rules should be set on data management. Therefore, the Commission should be empowered to adopt delegated acts supplementing the non-essential elements of Regulation (EC) No 1217/2009 to include therein the rules on the data management process, in particular the farm ID, data storage, data quality and validation, use of data, access to and transmission of primary data, processing of primary data, combination of data with other data sources, procedure for ensuring availability of detailed and aggregated data, compatible data storage and exchange systems, review of refusal to provide data, obligations for end-users of scientific data and other interested parties.
<i>Recital 12</i>		In order to ensure uniform conditions for the implementation of Regulation (EC) No 1217/2009, the implementing powers should be conferred on the Commission to adopt implementing acts on the specific management of regular and

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		special surveys, as well as with regard to specific data protection rules.
<i>Recital 13</i>		With the enlarged scope of the FSDN, it is needed to adapt rules on budget, including differentiated management for regular and special surveys. The Union budget should finance the set-up and modernisation of Member States systems to align it with the revised scope and management of FSDN. Member States may provide for an allocation related to the standard output value of the agricultural holding. Member States should have the possibility to set incentives for farmers participation in the data network, such as financial contribution, feedback on the farm performance with a focus on improving sustainable farming practices, or targeted advice based on FSDN information.
<i>Recital 14</i>		Considering that some Member States face problems with farmers' participation in the data network, some of them already included the FADN system under national statistics which provide an

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		obligation for farmers to provide the requested information. When selected as returning holding, farmers should provide the data; it should be possible for the Member States to adopt national rules to address cases of returning holdings not complying with such an obligation.
<i>Recital 15</i>		The name of the Committee for the Farm Accountancy Data Network should be modified to reflect the changes in the current Regulation. However, the current Committee should continue existing with the same functions, adapting to the new scope of the data network
<i>Recital 16</i>		Regulation (EC) No 1217/2009 should therefore be amended accordingly,

Articles

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Article 1		Regulation (EC) No 1217/2009 is amended as follows:
(1)		the title of the Regulation is replaced by the following: ‘Council Regulation (EC) No 1217/2009 of 30 November 2009 setting up a network for the collection of sustainability data of agricultural holdings in the Union’;
(2)		the title of Chapter I is replaced by the following: ‘CREATION OF A UNION FARM SUSTAINABILITY DATA NETWORK’;
(3)		Article 1 is replaced by the following: ‘Article 1 1. A Union farm sustainability data

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	DK proposes to change paragraph 4 in order to exclude other purposes than statistical for data collected, managed and used according to this regulation. DK considers it important that although FSDN refers to the Treaty on the Functioning of the European Union, particular Article 43(2) – Common Agricultural Policy – it is important that data collected, managed and used according to this Regulation has the same protection as if the Regulation referred to the European Statistical System only and cannot under no circumstances be used for administrative purposes. A clear purpose that is in line with GDPR.	network ('FSDN' or 'data network') is set up to collect farm level economic, environmental and social data. 2. The data obtained pursuant to this Regulation shall contribute to the assessment of EU agriculture's sustainability. 3. FSDN data shall be made publicly available in a manner consistent with Articles 7 and 8 of the Charter of Fundamental Rights of the European Union and Regulations (EU) 2016/679* and 2018/1725**. 4. Where relevant, †The processing, management and use of data collected under this Regulation shall comply with Regulations (EU) 2016/679, (EU) 2018/1725 and (EC) 223/2009***.†; * Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of

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		natural persons with regard to the processing of personal data and on the free movement of such data, and repealing Directive 95/46/EC (General Data Protection Regulation) (OJ L 119, 4.5.2016, p. 1). ** Regulation (EU) 2018/1725 of the European Parliament and of the Council of 23 October 2018 on the protection of natural persons with regard to the processing of personal data by the Union institutions, bodies, offices and agencies and on the free movement of such data, and repealing Regulation (EC) No 45/2001 and Decision No 1247/2002/EC (OJ L 295, 21.11.2018, p. 39). *** Regulation (EC) No 223/2009 of the European Parliament and of the Council of 11 March 2009 on European statistics and repealing Regulation (EC, Euratom) No 1101/2008 of the European Parliament and of the Council on the transmission of data subject to statistical confidentiality to the Statistical Office of

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		the European Communities, Council Regulation (EC) No 322/97 on Community Statistics, and Council Decision 89/382/EEC, Euratom establishing a Committee on the Statistical Programmes of the European Communities (OJ L 87, 31.3.2009, p. 164).’;
(4)	DK proposes to add legal persons to (a) as well, since 13(h) refers to feedback to farmers, and this feedback may just as well be relevant to the legal person. Likewise 17(5) refers to incentives for farmers to participate in FSDN surveys, this may also be relevant for legal persons. Regarding (b) The definition proposed by the commission seems very unclear and Denmark would ask if the not the definition in the IFS Regulation seems more relevant to apply in this regulation. If so the definition is similar to other statistical	Article 2 is replaced by the following: ‘Article 2 For the purposes of this Regulation, the following definitions shall apply: (a) ‘farmer’ means the legal person or natural person responsible for the day-to-day management of an agricultural holding; (b) ‘agricultural holding’ [means a single unit, both technically and economically, that has a single management and that undertakes economic activities in agriculture in accordance with Regulation

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	relugations like IFS and SAIO, which also may supply data to FSDN. Further we propose to use “agricultural holding” since other definition in the proposal applies the term “agricultural holding”, see (a), (c) and (d) for instance.	(EC) No 1893/2006 belonging to groups A.01.1, A.01.2, A.01.3, A.01.4, A.01.5 or to the ‘maintenance of agricultural land in good agricultural and environmental condition’ of group A.01.6 within the economic territory of the Union, either as its primary or secondary activity. Regarding activities of class A.01.49, only the activities ‘Raising and breeding of semi- domesticated or other live animals’ (with the exception of raising of insects) and ‘Bee-keeping and production of honey and beeswax’ are included;] farm business, in accordance with its general use in the context of Union agricultural surveys and censuses; (c) ‘category of holding’ means a group of agricultural holdings that belong to the same categories, as regards the type of farming and economic size as defined in the Union typology for agricultural holdings defined in Article 5b; (d) ‘farm return’ means the questionnaire filled in with the data of an agricultural

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		holding according to the FSDN common methodology; (e) ‘returning holding’ means any agricultural holding making farm returns for the purposes of the data network; (f) ‘Farm Sustainability Data Network division’ or ‘FSDN division’ means the territory of a Member State, or any part thereof, delimited with a view to the selection of returning holdings; (g) ‘FSDN data’ means economic, environmental and social farm level data relating to agricultural holdings derived from accounts, and/or from other data sources collected systematically and regularly; (h) ‘standard output’ means standard value of gross production; (i) ‘personal data’ means personal data as defined in Regulations (EU) 2016/679 and (EU) 2018/1725, however extending

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	DK would like to know what is meant by individual samples in article 2 (l)?	protection to the legitimate interests of farmers who are legal persons; (j) ‘farm ID’ means the unique identification number for an individual holding, with regards to processing of data under this Regulation; (k) ‘processing data’ means any operation or set of operations which is performed on data of persons, according to Article 3(3) of Regulation (EU) 2018/1725; (l) ‘primary data’ means data associated with individual farms, natural or legal persons or individual samples; (m) ‘metadata’ means data giving qualitative and quantitative information about the collected primary data; (n) ‘anonymised data’ means data based on primary data in a form which does not allow natural or legal persons to be identified directly or indirectly;

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		(o) ‘pseudonymised data’ means personal data that cannot be longer attributed to a specific subject without the use of additional information, provided that such additional information is kept separately and is subject to technical and organisational measures to ensure that the personal data are not attributed to an identified or identifiable natural or legal person; (p) ‘aggregated data’ means the output resulting from summarising the primary or detailed data for specific analytic purposes.’;
(5)		the following Article is inserted: ‘Article 2a A list of FSDN divisions is set out in Annex I.’;
(6)		in Article 3, the term ‘FADN’ is replaced by ‘FSDN’;

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(7)		the title of Chapter II is replaced by the following: ‘DATA FOR THE DETERMINATION OF INCOMES OF AGRICULTURAL HOLDINGS AND COLLECTION OF OTHER SUSTAINABILITY INFORMATION’;
(8)	In paragraph 3 DK is against the wide empowerment to adopt delegated acts to the Commission. The Commission shall not be empowered to adopt delegated acts on how member states do their data storage, establish own validation rules, use of data, access to primary data, processing primary data, combination of data with other data source, procedures for ensuring availability of data, obligations for end users of scientific data and other interested parties without any safeguards for the member states in order to reduce the administrative burden and costs for respondents and member states. Denmark recognizes that the Commission needs to establish rules for common purposes like transmission of data, farm ID, data quality, compatible data storage and exchange systems, review of refusal to provide data, and that the Commission needs to establish rules on how it will process data and make data available for end-users. However, these delegated acts has to be separated in	Article 4 is replaced by the following: ‘Article 4 1. This Chapter shall apply to the collection of accountancy and other sustainability data. FSDN data shall be collected by means of regular and special surveys. 2. The competent authority for FSDN may use other data sources in order to collect and re-use data to feed the FSDN surveys. 3. The Commission shall be empowered to adopt delegated acts, in accordance with Article 19a supplementing this

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	individual articles or paragraphs where it is specified clearly what the Commission will be empowered to do. Furthermore, concerning the FarmID in paragraph 3 Denmark would like to know what intentions the commission has regarding the use of FarmID. If member states have to provide FarmID should this identification number be identical with the FarmID in IACS, IFS and other registers? If yes, how will this be ensured legally? And if providing FarmID, FSDN will only be used for data sharing for the sample provided, or does the commission intend to have a census in the future in order to combine data with these sources? It is important for Denmark that data sharing does not result in administrative sanctions towards a single farm unit. With regard to new requirements on environmental data, the legal basis concerning plant protection products, pest management, or preventative measures under Integrated Pest Management should arise from the Sustainable Use of Plant Protection Products Regulation and not from a delegated act under regulation 1217/2009. For this reason Denmark proposes to introduce this limitation in 3(i) within this article and Denmark would like legal advice from the Council Legal Service for at suitable legal text that addresses our concerns. Under drafting suggestions Denmark proposes several amendments (see for instance 4-4b), but there is a need to work further on these safeguards and DK recognizes that the legal structure of this paragraph changing article 4 needs to be revised by	Regulation with the rules on the data management process, in particular the farm ID, data storage, data quality and validation, use of data, access to and transmission of primary data, processing of primary data, combination of data with other data sources, procedure for ensuring availability of detailed and aggregated data, compatible data storage and exchange systems, review of refusal to provide data, obligations for end-users of scientific data and other interested parties. (i) The empowerment to the Commission referred to in paragraph 3 shall not be in force for any requirements related to provisions in "Proposal for a Regulation on the Sustainable Use of plant protection products and amending regulation 2021/2115" (COM (2022) 305). Common regular survey: 4. When the need for modifying the form and content of regular surveys as well as methods and requirements for reusing and sharing data Is identified the Commission

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	the Council Legal Service. Denmark urges the Council Working Group and the Presidency to work further on these provisions in order to specify the delegation of power to the Commission or make the provisions more precise and introduce proper safeguards in order to secure transparency for member states on future administrative burdens and costs. Regarding paragraph 4, Denmark proposes to separate the legal text on implementing acts on common regular surveys and special surveys. See proposals in 4-4b and 5-5c, in order to make it more transparent which kind for delegation that is delegated to the commission. Furthermore, Denmark proposes to include a provision that the commission has to conduct feasibility studies, which is proposed in a new paragraph 8a in order to make the reasoning for decisions more transparent and to reduce the risk for increased administrative burdens and costs for respondents and member states. Regarding paragraph 4a, Denmark proposes to set safeguards for the burden and costs for respondents and member states by setting a limitation on the number of variables and the frequency for demanding new variables. In order to ensure the flexibility for the commission, these limitations should not apply if other EU legislation states that data is available in electronic data sources in member states. Regarding paragraph 4b, Denmark proposes that member states in general should have 18 months to establish the necessary conditions to comply with obligations in	shall launch feasibility studies according to [new paragraph 8a] and the results of those feasibility studies shall be duly taken into account in order to minimize the administrative burdens and costs on Member States and the respondents. 4a. Where the Commission has adopted a delegated act pursuant to paragraph 3 regarding the common regular survey the implementing act referred to in paragraph 4 may amend a maximum of [XX] variables over a period to [three consecutive years]. This maximum does not apply if data is required available in electronic administrative sources in other EU-legislation. 4b. The Commission shall adopt implementing acts establishing and updating form and content of common regular and special surveys as well as methods and requirements for reusing and sharing data. Those implementing acts shall be adopted in accordance with the examination procedure referred to in

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	implementing acts. The obligations may require new functionalities in it-systems and it is important that member states have sufficient time to transform to the obligations. Furthermore, Denmark also considers it relevant to have an independent article regarding special surveys, see drafting suggestions 5-5c. Thus, Denmark proposes to separate the provisions for special surveys from common regular surveys in order to have more transparency on the delegations of power to the commission and to have more predictability in the national production systems still leaving flexibility to the commission. In this way the risk for increasing the burden and costs for respondents and member states is reduced.	Article 19b(2) - at least 18 months before the beginning of the reference year.' <u>Special surveys:</u> 5. The Commission is empowered to adopt delegated acts in accordance with paragraph 19a supplementing this Regulation by specifying the information to be provided by Member States in special surveys, where, within the scope of the Regulation, the collection of additional information is deemed necessary for the purpose of addressing additional statistical needs. according to paragraph 3. Those delegated acts shall specify: (1) The category of holdings (2) The type of FSDN data (3) The reference period 5a. When exercising the power to adopt delegated acts referred to in paragraph 3a, the Commission shall justify the data

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		needs, assess the feasibility of collecting the required data, using input from relevant experts, and ensure that no significant additional administrative burdens or costs are imposed on the Member States or on the respondents. 5b. The Commission is empowered to adopt delegated acts referred to in paragraph 3 starting with reference year [insert 2 years after entering into force of the regulation] and with a minimum of [3] years between each special survey, starting from the transmission deadline of the latest special survey. 5c. The Commission shall adopt implementing acts to provide: (1) The list of variables, not exceeding [20] variables; (2) The reference period as set out in the delegated act defined in paragraph 3b (3) the deadlines for transmitting the data;

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		(4) Procedure for transmitting the data Those implementing acts shall be adopted with the examination procedure referred to in Article 19b(2) at least 18 months before the beginning of the reference year.
<i>New (8a)</i>	DK recognises the need for future developments in data requirements and methodology in order to support the CAP and European Green Deal and Farm2Fork strategies. However, we have concerns regarding the implications of introducing new requirements and the burden and costs for respondents and member states. It is important that new requirements are tested thoroughly in order to have reliable data and data of high quality to the users. Therefore we propose to introduce feasibility studies.	<u>Feasibility studies</u> 1. In accordance with the objectives of this Regulation and where new data requirements or the need for major improvement in the current common regular survey are identified the Commission (Eurostat) shall launch feasibility studies, in order to evaluate: (a) the availability and quality of appropriate new data sources; (b) the development and the implementation of new methods;

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		(c) requirements for reusing and sharing data; (d) the financial impact and burden on respondents. 2. Within each particular feasibility study, the Commission shall assess whether the new data requirements can be produced by using information available in the relevant administrative or statistical sources at Union level. 3. Within a particular feasibility study, the Commission may, where necessary, launch pilot studies, to be carried out by Member States. Their objectives shall be to test the implementation of new requirements in Member States. 4. The results of the feasibility studies and, where applicable, of pilot studies, shall be evaluated by the Commission in cooperation with experts from the Member States. Following the evaluation the Commission shall prepare a report on

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		the findings of the feasibility and pilot studies. Those reports shall be made public.
(9)		Article 5 is replaced by the following: ‘Article 5 1. The field of the survey shall cover agricultural holdings having an economic size equal to, or greater than, a threshold expressed in euro corresponding to one of the lower limits of the economic size classes of the Union typology for agricultural holdings defined in Article 5b. The Commission shall be empowered to adopt delegated acts, in accordance with Article 19a, supplementing this Regulation with the rules on fixing the threshold referred to in the first subparagraph of this paragraph. The Commission shall adopt, on the basis of data received from Member States,

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	Concerning paragraph 1, Denmark can support that this implementing act does not need to be adopted 18 months before the reference year.	implementing acts fixing the threshold referred to in the first subparagraph. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 19b(2). 2. To qualify as a returning holding, an agricultural holding shall: (a) be covered by the field of the survey referred to in paragraph 1; (b) be representative, together with the other holdings and at the level of each FSDN division, of the field of survey. 3. An agricultural holding qualifying as returning holding in the plan for the selection of returning holdings shall provide the requested data. 4. Member States may adopt national rules to address possible cases of non-compliance with paragraph 3.’;
(10)		Article 5a is amended as follows:

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		(a) the first subparagraph of paragraph 1 is replaced by the following: ‘Each Member State shall draw up a plan for the selection of returning holdings that ensures a representative sample of the field of survey, including both regular and, when relevant, special surveys.’; (b) in paragraphs 2 and 3, the term ‘FADN’ is replaced by ‘FSDN’;
(11)		in Article 5b, paragraph 1 is replaced by the following: ‘1. Agricultural holdings shall be classified in a uniform manner according to the Union typology for agricultural holdings, such as type of farming, their economic size and the importance of other gainful activities directly related to them. The typology for agricultural holdings shall be used in particular for the presentation, by type of farming and by economic size class, of data collected

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		through the Union farm structure surveys and the FSDN.’;
(12)		Article 6 is amended as follows: (a) paragraph 1 is replaced by the following: ‘1. Each Member State shall set up a national committee for the data network (hereinafter referred to as ‘the National Committee’).’; (b) in paragraph 4, the term ‘FADN’ is replaced by ‘FSDN’;
(13)		in Article 7, paragraph 1 is replaced by the following: ‘1. Each Member State shall appoint a liaison agency whose tasks shall be: (a) to inform the National Committee, the Regional Committees and the data collectors such as accountancy offices of the applicable regulatory framework and to ensure proper implementation thereof; (b) to draw up the plan for the selection

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		of returning holdings, to submit it to the National Committee for its approval and, thereafter, to forward it to the Commission; (c) to compile: (i) the list of returning holdings; (ii) where applicable, the list of the data collectors able to complete farm returns; (d) to produce the farm returns sent to it by the data collectors including from data gathered from other data sources; (e) to verify that the farm returns have been duly completed; (f) to forward the duly completed farm returns to the Commission in the required format and within the set deadline; (g) to transmit the requests for information provided for in Article 17 to the National Committee, to the Regional

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	In (h) Denmark proposes to change this obligation from “shall” to an independent assessment by member states whether this is relevant or not. In Denmark there are already other organizations benchmarking agricultural holdings on a more detailed level and therefore it is not relevant to have this legal binding obligation.	Committees and to the data collectors and to forward the relevant answers to the Commission; (h) if assessed relevant to make available the obtained results for providing advice and feedback to farmers on their sustainability performance.’;
(14)		Article 8 is replaced by the following: ‘Article 8 1. Each returning holding shall be the subject of an individual farm return and identified by a farm ID. 2. The data provided by each duly completed farm return shall be such that it is possible:

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	In (Article 8) paragraph 2 (d) DK is not willing to do on the spot controls as it is not an integrated part of our data collection. We are able to test the veracity of the information given, but not through on the spot checks. Therefore we propose to delete this part of the legal text. DK foresees not only that the burden will rise but also the reluctance among farmers and as a consequence the risk to hamper the quality of data if it is required or made possible legally to do on the spot checks.	(a) to characterise the returning holding by reference to the main elements of its factors of production; (b) to assess the income of the holding in its various forms; (c) to assess the economic, environmental and social sustainability of the holding; (d) to test, by means of on-the-spot checks, the veracity of the information given. 3. The data on the farm return shall relate to a single agricultural holding and to a single reporting year of 12 consecutive months, and shall concern exclusively that agricultural holding. Those data shall refer to agricultural activities of the holding itself and other gainful activities directly related to the holding. a) When the need for modifying the farm return is identified the Commission shall

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	Concerning paragraph 3a Denmark proposes to introduce a safeguard in order to reduce the potential administrative burden and costs for member states when changing the general rules for data collection. Regarding paragraph 4 Denmark is of the opinion that the empowerment to the commission to adopt delegated acts on the general rules for the datacollection is too wide. Denmark is in favour of common and comparable EU statistics (output), but Denmark is concerned regarding the delegated power to the comission when it comes to decide on data collection rules. There need to be degrees of freedom for member states to organize the data collection themselves. Otherwise, there is a risk that burden and costs for respondents and member states will increase. Denmark would like to know more about the commissions intensions concerning this matter in order to make the text more transparent and precise on the delegation.	launch feasibility studies according to [new paragraph 8a] and the results of those feasibility studies shall be duly taken into account in order to minise the administrative burdens and costs on Member States and the respondents. 4. The Commission shall be empowered to adopt delegated acts, in accordance with Article 19a, supplementing this Regulation with the rules to determine the main groups of data to be collected and the general rules for data collection. 5. In order to ensure that the data collected by means of the farm returns are comparable, irrespective of the returning holdings surveyed, the Commission shall adopt implementing acts laying down the form and layout of the farm return and the methods and deadlines for data transmission to the Commission. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 19b(2))- at least 18 months before the beginning of

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	Regarding paragraph 6 and the new requirements on environmental data, the legal basis concerning plant protection products, pest management, or preventive measures under Integrated Pest Management should arise from the Sustainable Use of Plant Protection Products Regulation and not from a delegated act under regulation 1217/2009. Therefore Denmark proposes to introduce this limitation in paragraph 6 within this article and Denmark would like the advice from the Council Legal Service for a suitable legal text securing our concern.	the reference year. ’; 6. The empowerment to the Commission referred to in paragraph 4 shall not be in force for any requirements related to provisions in "proposal for a Regulation on the Sustainable Use of plant protection products and amending regulation 2021/2115" (COM (2022) 305).

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(15)	Concerning paragraph 1: Although the legal text is identical to the existing Regulation, Denmark proposes to broaden the scope for what data cannot be used for. If taxation remains one may deduct that data can be used for all other purposes. DK do not support that data collected from the implementation of this regulation can be used to other purposes than statistical purposes, for instance monitoring the development of the CAP at an aggregated level. It must not be possible to use individual data to any administrative decisions against an individual farmer or holding.	Article 16 is replaced by the following: ‘Article 16 1. It shall be prohibited to use for any administrative taxation purposes any individual data or other individual details obtained in implementation of this Regulation. 2. Anonymised or pseudonymised individual data can be shared by the Commission or by liaison agencies for the purposes set in Article 1, provided that the identification of natural or legal persons is avoided.’;
(16)		in Article 17, paragraph 1 is replaced by the following:

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	DK proposes to add in paragraph 1 the word “relevant” in order to make sure that the Commission may only require relevant information from the mentioned bodies and individuals.	‘1. The National Committee, the Regional Committees, the liaison agency and data collectors shall be bound, within their respective areas of responsibility, to furnish the Commission with any relevant information which the latter may request of them regarding the discharge of their duties under this Regulation. Such requests for information made to the National Committee, the Regional Committees or to the data collectors and the relevant answers shall be forwarded in writing through the liaison agency.’;
(17)		Article 19 is replaced by the following: ‘Article 19 1. Appropriations to be included in the general budget of the Union, in the Commission section, shall cover: (a) for regular surveys: a standard fee payable to the Member States for the delivery of duly completed farm returns

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	Concerning paragraph 1(b): it is not clear if the special survey shall be for the total FSDN sample. If the special survey is for a sub-sample wording on standard fee it should be modified. Denmark would like a clarification of the wording.	delivered within the set deadline up to the maximum number of returning holdings as fixed in accordance with Article 5a(2). Where the total number of duly completed and delivered farm returns in respect of a FSDN division or a Member State is less than 80 % of the number of returning holdings laid down for that FSDN division or for the Member State concerned, a fee equal to 50 % of the standard fee shall be applied for each farm return from that FSDN division or from the Member State concerned; (b) for special surveys: a standard fee payable to the Member States for the delivery of duly completed farm returns delivered within the set deadline up to the maximum number of returning holdings as fixed in accordance with Article 5a(2). Where the total number of duly completed and delivered farm returns in respect of a FSDN division or a Member State is less than 80 % of the number of returning holdings laid down for that FSDN division or for the Member State

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		concerned, a fee equal to 50 % of the standard fee shall be applied for each farm return from that FSDN division or from the Member State concerned; (c) all the costs of the computerised systems operated by the Commission for running and developing the network, the reception, verification, processing, interoperability, analysis, of the data supplied by the Member States. Those costs include, where appropriate, the costs of disseminating the results of those operations and the costs of studies into, and development of, other aspects of the data network. 2. Costs in respect of the setting up and operation of the National Committee, Regional Committees and liaison agencies shall not be included in the general budget of the Union. 3. The Union may shall also provide financial contributions from the general budget of the Union to Member States, in

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	Regarding paragraph 3: FSDN is very wide in scope and depending on the obligations set out in delegated acts and implementing acts, it may be necessary for member states to invest in new it-functionality and data collection systems in order for comply with these provisions. Co-financing to meet the new requirements is needed.	order to cover the implementation costs of this Regulation including both common regular surveys and special surveys when the setting up of the system for collecting the additional environmental and social variables, including training and interoperability between data collection systems, necessitates significant adaptations in the national FADN data collection system of a Member State. 4. The standard fee payable to Member States may be partly or entirely paid to farmers for their participation to FSDN surveys. Member States may establish a specific allocation key whereby part of or the total amount paid to participating farmers is a function of the farm standard output value. 5. Member States may define and provide incentives for farmers' participation to FSDN surveys. 6. The Commission shall adopt

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		implementing acts establishing the detailed procedures in relation to the standard fee referred to in paragraph 1, points (a) and (b), and adaptations to the data collection system referred to in paragraph 3. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 19b(2).’;
<i>New (17a)</i>	Denmark proposes to introduce the possibility for the Commission to grant derogations to member states when this is duly justified by the member states. Introducing new requirements to member states may require unforeseen new activities for the member states and the burden and costs do not make it possible for member states to comply with the new requirements as foreseen by the new legislation.	<u>Derogations</u> 1. Where the application of this Regulation or of the implementing measures and delegated acts adopted pursuant to them necessitates major adaptations in a production system of a Member State, the Commission may adopt implementing acts granting derogations to Member States for a maximum duration of three years. The relevant Member State shall submit a duly reasoned request for such a derogation to the Commission within three months of the date of the entry into force of the act concerned, explaining

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		what major adaptations are needed to the national statistical system and an estimated timeline for such adaptations. The burden on respondents and on Member States shall be taken into account when granting the derogation. 2. The implementing acts referred to in paragraph 1, first subparagraph, shall be adopted in accordance with the examination procedure referred to in article 19b(2)
(18)		Article 19a is amended as follows: (a) paragraph 2 is replaced by the following: ‘2. The power to adopt delegated acts referred to in Article 3 and Articles 4(3), 5(1), 5a(1), 5b(2) and (3) and 8(3) shall be conferred on the Commission for a period of 5 years from the date of entry into force of this Regulation. The Commission shall draw up a report in respect of the delegation of power not

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		later than nine months before the end of the five-year period. The delegation of power shall be tacitly extended for periods of an identical duration, unless the European Parliament or the Council opposes such extension not later than three months before the end of each period.’; (b) paragraph 3 is replaced by the following: ‘3. The delegation of power referred to in Article 3 and Articles 4(3), 5(1), 5a(1), 5b(2) and (3) and Article 8(3) may be revoked at any time by the European Parliament or by the Council. A decision to revoke shall put an end to the delegation of the power specified in that decision. It shall take effect the day following the publication of the decision in the <i>Official Journal of the European Union</i> or at a later date specified therein. It shall not affect the validity of any delegated acts already in force.’; (c) paragraph 5 is replaced by the

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		following: ‘5. A delegated act adopted pursuant to Article 3 and Articles 4(3), 5(1), 5a(1), 5b(2) and (3) and Article 8(3) shall enter into force only if no objection has been expressed either by the European Parliament or the Council within a period of two months of notification of that act to the European Parliament and the Council or if, before the expiry of that period, the European Parliament and the Council have both informed the Commission that they will not object. That period shall be extended by two months at the initiative of the European Parliament or of the Council. ’;
(19)		in Article 19b, paragraph 1 is replaced by the following: ‘1. The Commission shall be assisted by a Committee called ‘Committee for the Farm Sustainability Data Network’. That Committee shall be a committee within the meaning of Regulation (EU) No

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		182/2011 of the European Parliament and of the Council ⁷ .
(20)		Annex I is replaced by the text in the Annex to this Regulation.
Article 2		This Regulation shall enter into force on the third day following that of its publication in the <i>Official Journal of the European Union</i>. This Regulation shall be binding in its entirety and directly applicable in all Member States. Done at Brussels,

⁷ Regulation (EU) No 182/2011 of the European Parliament and of the Council of 16 February 2011 laying down the rules and general principles concerning mechanisms for control by Member States of the Commission's exercise of implementing powers (OJ L 55, 28.2.2011, p. 13).

Annexes

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Annex 1		