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From:	General Secretariat of the Council
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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 Finnish delegation

Delegations will find in the annex the comments from the Finnish 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
5/09/2022	Finland

Recitals

COMMISSION PROPOSAL	COMMENTS	DRAFTING SUGGESTIONS
<i>Recital 1</i>	GENERAL COMMENT: In general, Finland supports the expansion of the Farm Accountancy Data Network into a Farm Sustainability Data Network.	The development of the Union agricultural sector and of the common agricultural policy requires objective and

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	<p>Finland welcomes the expansion of the research use of data as long as the level of data protection remains high</p> <p>Finland has reservations about the weakening of the anonymity of accounting records and making participation in the Farm Sustainability Data Network mandatory for farmers. Submitting farm identifiers could compromise the data protection of those who have supplied the information. Making participation in the Farm Sustainability Data Network mandatory for farmers could, despite the mandatory legislation, lead to a decrease in the number of FSDN farms and a decline in the quality of the data.</p>	<p>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 1217/2009¹.</p>
<i>Recital 2</i>		<p>In the Commission impact assessment supporting the 2018 legislative proposals for the Common Agricultural Policy (CAP) Post 2020², the need to enhance</p>

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

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		the collection of farm-level data was identified.
<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

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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		<p>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, 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.</p> <p>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.</p>
<i>Recital 5</i>	<p>FI points out that in principle we agree with the reuse of the data collected for other purposes. There is an exemption on this, so that if the data is collected on the basis of the statistical legislation such data can not be used for other purposes if the data provider can be identified.</p>	<p>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</p>

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		responsible national authorities should endeavour to modernise data collection modes as far as possible. In order to reduce the burden for farmers and data 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>	FI would like to point out that if there different selection criteria and periodicity is used for special surveys this will increase the burden both for authorities responsible for FSDN and respondents. This should be taken into account on financing of the	With regards to the field of survey set in Article 5 of Regulation (EC) No 1217/2009, the main criteria for the

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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	<p>data collection and there should be safeguards set for the amount of special surveys as well as timing of these surveys.</p>	<p>representativeness of accountancy data and the selection criteria for regular surveys shall be maintained, while adding further information for the other aspects 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.</p>
<p><i>Recital 7</i></p>	<p>FI seeks clarification on what intentions the COM has regarding the use of farm ID. If member states has to provide farm ID should this identification number be identical with the farm ID in IACS, IFS and other registers ? If so, how will this be ensured legally ? And if providing farm ID, FSDN will only provide farm ID for a sample – and is it the intention that farm ID only will be used for data sharing for the sample provided, or do COM intend to have a census in the future in order to combine data with these sources ?</p> <p>FI sees that providing the farm ID to COM endangeours the data quality as the farm data is sensitive data. For FI it is important that data sharing do not result in administrative sanctions towards a single farm unit and this is stated clearly in the regulation.</p> <p>FI suggest removing the provision of farm ID from the regulation and follow the</p>	<p>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.</p>

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	practices of the current FADN procedures in data provisions.	
<i>Recital 8</i>	See comments for Recital 7.	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 pseudonymised to avoid their identification, covering both natural and legal persons.
<i>Recital 9</i>	See comments for Recital 7.	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

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		defined by international, Union and national law, and in particular with the Charter of Fundamental Rights of the European Union.
<i>Recital 10</i>	See comments for Recital 7.	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 research and data disclosure outside the control of the Commission. In such cases, data should be considered as personal data and Regulations (EU) 2016/679 ⁴ and (EU) 2018/1725 ⁵ 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.

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).

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		Further, as the development, production and dissemination of European statistics is concerned, principles of Regulation (EC) 223/2009 ⁶ should be complied with.
<i>Recital 11</i>	FI sees that the use of the farm ID in COM endangers the data quality (see comments on Recital 7) and the combination of the data from different data sources should be done at the Member States and not in COM. Also the use of data with the farm IDs should be limited so that the MS has to approve the purpose. If the data is anonymized, the data could be given more easily for research purposes. The data should not in any circumstances be used for administrative surveillance purposes resulting sanctions.	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

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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		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 special surveys, as well as with regard to specific data protection rules.
<i>Recital 13</i>	FI sees that the last sentence on Member States incentives to farmers are in principle feasible but if such financial contributions were to be set, this would increase the financial burden of authorities and this is not feasible. Also the system for advice for farmers differs from country to country and in Finland the authority responsible for FADN/FSDN is not countable for the advisory work.	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

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		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>	<p>FI would like to know how many countries do include the FADN under national statistics? In statistics there are no sanctions directly in use in many countries to our knowledge, even though the data collection might be compulsory by the law.</p> <p>FI sees that this Recitals should be removed and the data provision should continue on a voluntary basis. If the provision of sensitive data is made compulsory, it endangers the quality of the data.</p>	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 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

COMMISSION PROPOSAL	COMMENTS	DRAFTING SUGGESTIONS
Article 1		Regulation (EC) No 1217/2009 is amended as follows:
<i>Paragraph 1</i>		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’;
<i>Paragraph 2</i>		the title of Chapter I is replaced by the following: ‘CREATION OF A UNION FARM SUSTAINABILITY DATA NETWORK’;
<i>Paragraph 3</i>		Article 1 is replaced by the following: ‘Article 1 1. A Union farm sustainability data

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	<p>FI propose to change par. 4 in order to exclude other purposes that statistical for data collected, managed and used according to this regulation. DK find 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 is in line with GDPR.</p>	<p>network ('FSDN' or 'data network') is set up to collect farm level economic, environmental and social data.</p> <p>2. The data obtained pursuant to this Regulation shall contribute to the assessment of EU agriculture's sustainability.</p> <p>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**.</p> <p>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***.';</p> <p>* Regulation (EU) 2016/679 of the European Parliament and of the Council of 27 April 2016 on the protection of</p>

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		<p>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).</p> <p>** 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).</p> <p>*** 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</p>

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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).’;
Paragraph 4	Regarding (b) The definition proposed by the COM seem very unclear and FI would ask if the definition in the IFS Regulation seems more relevant to apply in this application. If so the definition are similar to other (statistical) regulation like IFS	<p>Article 2 is replaced by the following:</p> <p>‘Article 2</p> <p>For the purposes of this Regulation, the following definitions shall apply:</p> <p>(a) ‘farmer’ means the legal person or natural person responsible for the day-to-day management of an agricultural holding;</p> <p>(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</p>

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	and SAIO which also may supply data to FSDN.	<p>(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.</p> <p>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;]</p> <p>[farm business, in accordance with its general use in the context of Union agricultural surveys and censuses;]</p> <p>(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;</p> <p>(d) ‘farm return’ means the questionnaire filled in with the data of an agricultural</p>

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		<p>holding according to the FSDN common methodology;</p> <p>(e) ‘returning holding’ means any agricultural holding making farm returns for the purposes of the data network;</p> <p>(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;</p> <p>(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;</p> <p>(h) ‘standard output’ means standard value of gross production;</p> <p>(i) ‘personal data’ means personal data as defined in Regulations (EU) 2016/679 and (EU) 2018/1725, however extending</p>

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	<p>FI would like to have an explanation what is ment in 2 (l) by individual samples?</p>	<p>protection to the legitimate interests of farmers who are legal persons;</p> <p>(j) ‘farm ID’ means the unique identification number for an individual holding, with regards to processing of data under this Regulation;</p> <p>(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;</p> <p>(l) ‘primary data’ means data associated with individual farms, natural or legal persons or individual samples;</p> <p>(m) ‘metadata’ means data giving qualitative and quantitative information about the collected primary data;</p> <p>(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;</p>

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		<p>(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> <p>(p) ‘aggregated data’ means the output resulting from summarising the primary or detailed data for specific analytic purposes.’;</p>
<i>Paragraph 5</i>		<p>the following Article is inserted:</p> <p>‘Article 2a</p> <p>A list of FSDN divisions is set out in Annex I.’;</p>
<i>Paragraph 6</i>		<p>in Article 3, the term ‘FADN’ is replaced by ‘FSDN’;</p>

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<i>Paragraph 7</i>		<p>the title of Chapter II is replaced by the following:</p> <p>‘DATA FOR THE DETERMINATION OF INCOMES OF AGRICULTURAL HOLDINGS AND COLLECTION OF OTHER SUSTAINABILITY INFORMATION’;</p>
<i>Paragraph 8</i>		<p>Article 4 is replaced by the following:</p> <p>‘Article 4</p> <p>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.</p> <p>2. The competent authority for FSDN may use other data sources in order to collect and re-use data to feed the FSDN surveys.</p> <p>3. The Commission shall be empowered to adopt delegated acts, in accordance with Article 19a supplementing this</p>

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	<p>Regarding paragraph 3. FI sees that the use of the farm ID in COM endangers the data quality (see comments on Recital 7) and the combination of the data from different data sources should be done at the Member States and not in COM. Also the use of data with the farm IDs should be limited so that the MS has to approve the purpose. If the data is anonymized, the data could be given more easily for research purposes. The data should not in any circumstances be used for administrative surveillance purposes resulting sanctions.</p> <p>In point 3 FI does not accept this 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 burden and costs for respondents and member states.</p> <p>FI are in favour of common rules regarding the output data, but there need to be degrees of freedom to member state how to organize for example the data management processes themselves. Thus, we urge 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 make transparency for member states on future burdens and costs.</p>	<p>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.</p> <p>(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).</p> <p>Common regular survey</p> <p>4. When the need for modifying the form</p>

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		<p>and content of regular surveys as well as methods and requirements for reusing and sharing data is identified the Commission 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 minimise the administrative burdens and costs on Member States and the respondents.</p> <p>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 of [three consecutive years]. This maximum does not apply if data are required available in electronic administrative sources in other EU-legislation.</p> <p>4. 4b. The Commission shall adopt implementing acts establishing and updating form and content of common regular and special surveys as well as</p>

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		<p>methods and requirements for reusing and sharing data. Those implementing acts shall be adopted in accordance with the examination procedure referred to in Article 19b(2): <u>at least 18 months before the beginning of the reference year.</u> ’;</p> <p><u>Special surveys:</u></p> <p>5. The Commission is empowered to adopt delegated acts in accordance with Article 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:</p> <ul style="list-style-type: none"> (1) The category of holdings (2) The type of FSDN data (3) The reference period <p>5a. When exercising the power to adopt</p>

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		<p>delegated acts referred to in paragraph 3a, the Commission shall justify the data needs, assess the feasibility of collecting the required data, using input from relevant experts, and ensure that no significant additional burdens or costs are imposed on the Member States or on the respondents.</p> <p>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.</p> <p>5c. The Commission shall adopt implementing acts to provide:</p> <ul style="list-style-type: none"> (1) The list of variables, not exceeding [20] variables; (2) The reference period as set out in the delegated act defined in paragraph 3b

COMMISSION PROPOSAL	COMMENTS	DRAFTING SUGGESTIONS
		<p>(3) the deadlines for transmitting the data;</p> <p>(4) Procedure for transmitting the data</p> <p>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.</p>
Paragraph 8a		<p><u>Feasibility studies</u></p> <p>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:</p> <p>(a) the availability and quality of appropriate new data sources;</p> <p>(b) the development and the implementation of new methods;</p>

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		<p>(c) requirements for reusing and sharing data;</p> <p>(d) the financial impact and burden on respondents.</p> <p>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.</p> <p>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.</p> <p>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</p>

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		<p>the findings of the feasibility and pilot studies. Those reports shall be made public.</p>
<p><i>Paragraph 9</i></p>		<p>Article 5 is replaced by the following:</p> <p>‘Article 5</p> <p>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.</p> <p>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.</p> <p>The Commission shall adopt, on the basis of data received from Member States,</p>

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		<p>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).</p> <p>2. To qualify as a returning holding, an agricultural holding shall:</p> <p>(a) be covered by the field of the survey referred to in paragraph 1;</p> <p>(b) be representative, together with the other holdings and at the level of each FSDN division, of the field of survey.</p> <p>3. An agricultural holding qualifying as returning holding in the plan for the selection of returning holdings shall provide the requested data.</p> <p>4. Member States may adopt national rules to address possible cases of non-compliance with paragraph 3.’;</p>
<i>Paragraph 10</i>		Article 5a is amended as follows:

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		<p>(a) the first subparagraph of paragraph 1 is replaced by the following:</p> <p>‘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.’;</p> <p>(b) in paragraphs 2 and 3, the term ‘FADN’ is replaced by ‘FSDN’;</p>
<p><i>Paragraph 11</i></p>	<p>Concerning the last part of the paragraph FI would like to point out that especially in small countries the typology easily can lead to classes where there are only few observation units and therefore the data can not be published.</p>	<p>in Article 5b, paragraph 1 is replaced by the following:</p> <p>‘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.</p> <p>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</p>

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		through the Union farm structure surveys and the FSDN.’;
<i>Paragraph 12</i>		<p>Article 6 is amended as follows:</p> <p>(a) paragraph 1 is replaced by the following:</p> <p>‘1. Each Member State shall set up a national committee for the data network (hereinafter referred to as ‘the National Committee’).’;</p> <p>(b) in paragraph 4, the term ‘FADN’ is replaced by ‘FSDN’;</p>
<i>Paragraph 13</i>		<p>in Article 7, paragraph 1 is replaced by the following:</p> <p>‘1. Each Member State shall appoint a liaison agency whose tasks shall be:</p> <p>(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;</p> <p>(b) to draw up the plan for the selection</p>

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

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		<p>Committees and to the data collectors and to forward the relevant answers to the Commission;</p> <p>(h) if assessed relevant to make available the obtained results for providing advice and feedback to farmers on their sustainability performance.’;</p>
Paragraph 14	See our comments in Recital 7.	<p>Article 8 is replaced by the following:</p> <p>‘Article 8</p> <p>1. Each returning holding shall be the subject of an individual farm return and identified by a farm ID.</p> <p>2. The data provided by each duly completed farm return shall be such that it is possible:</p> <p>(a) to characterise the returning holding by reference to the main elements of its factors of production;</p>

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		<p>(b) to assess the income of the holding in its various forms;</p> <p>(c) to assess the economic, environmental and social sustainability of the holding;</p> <p>(d) to test, by means of on-the-spot checks, the veracity of the information given.</p> <p>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.</p> <p>a) When the need for modifying the farm return is identified the Commission 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 minimise the</p>

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		<p>administrative burdens and costs on Member States and the respondents.</p> <p>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.]</p> <p>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 the reference year. ’;</p> <p>6. The empowerment to the Commission referred to in paragraph 4 shall not be in</p>

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		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).
<i>Paragraph 15</i>		<p>Article 16 is replaced by the following:</p> <p>‘Article 16</p> <p>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.</p> <p>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.’;</p>
<i>Paragraph 16</i>		<p>in Article 17, paragraph 1 is replaced by the following:</p> <p>‘1. The National Committee, the Regional</p>

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		<p>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.</p> <p>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.’;</p>
<i>Paragraph 17</i>		<p>Article 19 is replaced by the following:</p> <p>‘Article 19</p> <p>1. Appropriations to be included in the general budget of the Union, in the Commission section, shall cover:</p> <p>(a) for regular 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</p>

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		<p>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;</p> <p>(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 concerned, a fee equal to 50 % of the standard fee shall be applied for each</p>

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		<p>farm return from that FSDN division or from the Member State concerned;</p> <p>(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.</p> <p>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.</p> <p>3. The Union may shall also provide financial contributions from the general budget of the Union to Member States, in order to cover the implementation costs of this Regulation including both</p>

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		<p>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.</p> <p>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.</p> <p>5. Member States may define and provide incentives for farmers' participation to FSDN surveys.</p> <p>6. The Commission shall adopt implementing acts establishing the detailed procedures in relation to the</p>

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		<p>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).’;</p>
Paragraph 17a		<p><u>Derogations</u></p> <p>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.</p> <p>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 what major adaptations are needed to the national statistical system and an</p>

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		<p>estimated timeline for such adaptations.</p> <p>The burden on respondents and on Member States shall be taken into account when granting the derogation.</p> <p>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)</p>
Paragraph 18		<p>Article 19a is amended as follows:</p> <p>(a) paragraph 2 is replaced by the following:</p> <p>‘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 later than nine months before the end of the five-year period. The delegation of</p>

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		<p>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.’;</p> <p>(b) paragraph 3 is replaced by the following:</p> <p>‘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.’;</p> <p>(c) paragraph 5 is replaced by the following:</p>

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		<p>‘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. ’;</p>
<p><i>Paragraph 19</i></p>		<p>in Article 19b,</p> <p>paragraph 1 is replaced by the following:</p> <p>‘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 182/2011 of the European Parliament and</p>

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		of the Council ⁷ .
<i>Paragraph 20</i>		Annex I is replaced by the text in the Annex to this Regulation.
Article 2		<p>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>.</p> <p>This Regulation shall be binding in its entirety and directly applicable in all Member States.</p> <p>Done at Brussels,</p>

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		