



Council of the
European Union

Brussels, 3 October 2022
(OR. en)

**Interinstitutional File:
2022/0192(COD)**

**12989/22
ADD 10**

LIMITE

**AGRI 488
AGRIFIN 110
CODEC 1384**

WORKING DOCUMENT

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| From: | General Secretariat of the Council |
| To: | Delegations |
| No. Cion doc.: | 10592/22 + ADD 1-2 |
| 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 Luxembourgish delegation |

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

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**

Remarks on the proposal from the Luxembourgish delegation

The proposal regulates the conversion of the Farm Accountancy Data Network (FADN) into the Farm Sustainability Data Network (FSDN). In future, additional indicators on environmental and socio-economic issues should be integrated into the microeconomic farm database of the EU. The Luxembourgish delegation welcomes this change into a more holistic approach. A data network based on economical, environmental and social parameters will be a better instrument to respond to the needs of the CAP.

The remarks of the Luxembourgish delegation are concerning the following Articles.

Art. 2. (...) (j) farm ID means the unique identification number for an individual holding, with regards to processing of data under this Regulation;

Although there are many textual details in the explanatory memorandum, the intentions of the Commission in relation with the use of the unique farm ID are not clear at all. The creation of a unique farmer number gives Member States a legal basis for linking the different data sources. But is the use of this ID limited to the FSDN farm sample or extended to all farms. Which data will be linked to the farm ID? There are differences on farm definition in the Member States. A farm defined by a farm number for CAP payments can be defined slightly different on the accounting level. How can this problem be solved?

For Luxembourg it is important as well that in case individual data will be shared by the Commission or liaison agencies, data protection is guaranteed absolutely to give assurance to farmers that their data and all other individual details collected in the FSDN are anonymized or pseudonymized to avoid their identification. Not having more details on the Commission's intention regarding the farm ID could reduce the farmers' acceptance to participate in the data network. In addition, Luxembourg expresses the willingness not to share data for administrative control and sanctions towards individual farms.

Art. 4. § 2. The competent authority for FSDN may use other data sources in order to collect and re-use data to feed the FSDN surveys.

The term "re-use data" should be clarified or deleted.

Art. 5. § 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.;

Farms should participate in the survey and in accountancy systems on a voluntary basis. Due to the voluntary participation of the bookkeeping farms in Luxembourg, the quality of the data and the participation of farms are very high. If "shall" means that it is an obligation for a farm to provide all the data, Luxembourg has to express a formal objection. It should be the responsibility of the Member State to fulfill the engagements taken by the FSDN.

Paragraph 4 encourages the MS to adopt national rules to address possible cases when farmers do not provide the requested data. The proposal does not say how the Commission will face the situation when requested data are not provided and MS do not have such rules.

Art. 8. § 2. The data provided by each duly completed farm return shall be such that it is possible: (...) (d) to test, by means of on-the-spot checks, the veracity of the information given.

The meaning of the “on-the-spot checks” to verify “the veracity of the information given” has to be clarified. The proportionality of on-farm-controls to verify the veracity of the data is not given. Luxembourg is not willing to do on the spot visits as a measure of control because these would raise the administrative burden and put the confidence of participating farmers at risk. There are other instruments to verify the correctness of the information. The decision which measures are appropriate to do verifications of the farm data should be taken by the Member States. Luxembourg therefore suggests to delete this part of the legal text.

Art. 16. 1. It shall be prohibited to use for taxation purposes any individual data or other individual details obtained in implementation of this Regulation. 2. Anonymized or pseudonymized 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.

The FSDN will be a main instrument in building up the future CAP, to do monitoring and to provide policy support. In this context, it would be important to underscore that FSDN is not an instrument of administrative control. Article 16 should not be limited to the tax aspect but extended in order to guarantee that FSDN and its individual data cannot be used in administrative decisions in relation with CAP payments against an individual farmer or a farm company.